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ABSTRACT

Testimony on economic and social benefits of early childhood education, and on legislation to amend the Head Start Act and provide funds to increase the number of spaces in Head Start was offered at a hearing in New York City. Testimony concerned: (1) the successes of Head Start, the unmet needs of disadvantaged youth, and the need to expand the program; (2) the need for research on new conditions confronting child service programs; (3) the increasing magnitude of human crises in New York City and ways to involve the corporate community in early childhood programs; (4) New York's Experimental Prekindergarten Program; (5) revisions recommended for Head Start; (6) preschool programs as a way to attract workers to the region and keep them there; (7) successes of Head Start participants; (8) Urie Bronfenbrenner's views on the crucial components of early childhood programs and the need for linkages between programs, families served, health and social services, the schools, and parents' work places; (9) costs of early childhood education programs and effects of program quality on children; (10) corporate support for early childhood programs; and (11) written responses to follow-up questions posed by committee members. (RH)

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THE ECONOMIC AND SOCIAL BENEFITS OF EARLY CHILDHOOD EDUCATION

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HEARING

BEFORE THE

SUBCOMMITTEE ON EDUCATION AND HEALTH

OF THE

JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

MAY 1, 1989

Printed for the use of the Joint Economic Committee

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THE ECONOMIC AND SOCIAL BENEFITS OF EARLY CHILDHOOD EDUCATION

MONDAY, MAY 1, 1989

CONGRESS OF THE UNITED STATES,
SUBCOMMITTEE ON EDUCATION AND HEALTH
OF THE JOINT ECONOMIC COMMITTEE,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:40 a.m., in the Educational Alliance, Inc., New York, NY, Hon. James H. Scheuer (chairman of the subcommittee) presiding.

Present: Representatives Scheuer, Green, and Weiss.

OPENING STATEMENT OF REPRESENTATIVE SCHEUER, CHAIRMAN

Representative SCHEUER. Good morning. The Subcommittee on Education and Health of the Joint Economic Committee hearing on the economic and social benefits of early childhood education will come to order.

We have a wonderful program this morning, and I'm sure you'll all enjoy it.

The mayor is due to arrive here in the next few minutes, and in order to save the mayor's time and our own time, Congressman Green and I are going to make our opening statements so that when the mayor comes here, we can begin promptly.

I am pleased to note that one of the stars of this hearing and of the Head Start Program is sitting in the front row. Mr. Urie Bronfenbrenner, who 24 years ago in 1965, was one of the intellectual architects of the Head Start Program. I remember him well appearing before the House Education and Labor Committee of which I was then a freshman member, and convincing us of the merit of this program. Little did we know that this program would end up being the jewel in the crown of the poverty program.

We have seen some spectacular results of the Head Start Program. Let me go over a few of them.

On chart 1, the white lines are the kids who did not get the benefit of Head Start; the black lines are kids who benefited from Head Start. As you can see, over twice as many kids who did not have Head Start ended up in the mentally retarded category—35 percent of them, as compared to only 15 percent of the kids who had the benefit of an enriched preschool experience known as Head Start. That is an incredibly dramatic example of how Head Start enables the community, mothers, teachers, and so forth to galvanize the kids and to help them to develop all of their latent potential and to avoid the waste of the child who turns out to be a nonachiever.

The other statistics are equally impressive: 51 percent of students who didn't attend Head Start became school dropouts compared to only 33 percent of those who did attend Head Start.

Fifty-one percent of non-Head Start kids were arrested at some time in their lives, compared to only 31 percent of kids who had the benefit of Head Start.

Thirty-two percent of the non-Head Start kids ended up on welfare, compared to only 18 percent of the Head Start kids.

Sixty-one percent of the Head Start kids were illiterate, while only 38 percent of the non-Head Start kids ended up being illiterate.

Thirty-two percent of the non-Head Start kids—less than one-third—were ever able to get continuous, systematic employment. Fifty percent of the Head Start kids ended up being employed a decade and a half or two decades later.

Twenty-one percent of the non-Head Start kids went to college or vocational school. Thirty-eight percent of the Head Start kids a decade and a half later either went to college or to some kind of vocational school.

We could stop the hearing right now as far as I'm concerned. We don't need any more proof than what this single chart tells us about what a small investment in a child's future is able to achieve in terms of a spectacular record of success.

In 1965 we may have thought that Head Start was an experimental program. It was not. I'm a Head Start kid, even though I was in Congress and helping to write the Head Start Program in 1965. So you might ask me, "What do you mean? You're an imposter. You didn't go to Head Start. You helped write the Head Start Program."

But I was in a Head Start Program. We didn't call it Head Start in 1923 when I went to an enriched preschool program. We either called it prenursery school or prekindergarten or something of the kind, but it was an enriched, preschool program and the last 75 years at least, middle-class and upper middle-class kids have been getting it. Kids who come from homes who are education factories in and of themselves have received this preschool experience.

For over three-fourths of a century, the kids that needed a Head Start experience the least have been getting it the most and the kids who urgently, desperately need it the most are getting it the least and this is a national disgrace. It's with a sense of shame that I say that nationally only about one-fifth of the kids who are not at education risk get an enriched preschool experience that would help achieve these spectacular results.

In New York City, the record is a little bit better. A little over half of our kids in New York get the benefit of Head Start. You can say the glass is half full, a little over half get it, or you can say the glass is half empty. What about the other half? Why is it we've been assigning them to the kind of failure shown by the white columns? In the case of mental retardation, for example, there was more than twice as much success in avoiding that pitiful, sad, state of educational failure.

Let me read from this morning's Wall Street Journal. On the front page of the Wall Street Journal for Monday, May 1, the date of this hearing, the lefthand column article is entitled "Many Americans Fear U.S. Living Standards Have Stopped Rising." They believe that children face a tougher future. There's a nagging lag in productivity.

And then there's a discussion of reasons why kids don't think that society is increasing its productivity, increasing its ability to compete with nations around the world. And they don't get to our problem, the problem of education failure until the end of the column, but they do get to it.

> * * * the Nation's education and welfare systems must be strengthened, experts say, to prepare the U.S. labor force for future challenges. Slower labor force growth offers an opportunity for people to get better, higher paying jobs. But those jobs will be available only to people with the right skills.

"Education has to improve" says Martina Horner, the president of Radcliffe College.

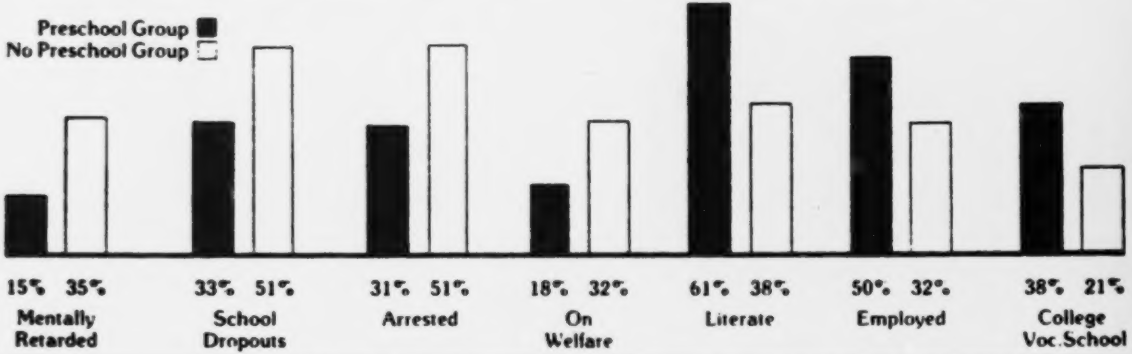
> We have to tighten standards in schools. But that won't be enough if the people entering the pipeline are coming in physically or mentally underdeveloped because of drug abuse or malnutrition or any of the other problems.
>
> * * * health, education, and welfare policies must all be integrated. No success with trade deficits and budget deficits is going to make quality life possible if we don't address these other problems.

The Wall Street Journal has said it all.

[The following charts and Wall Street Journal article were attached to Representative Scheuer's opening statement:]

CHART 1

High/Scope Perry Preschool Study Age-19 Findings

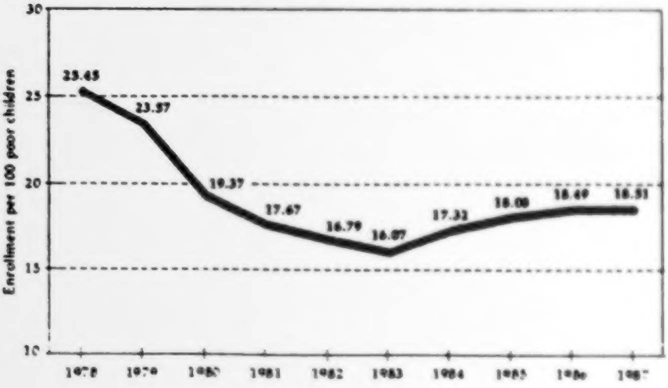


Note. All group differences are statistically significant, $p < .05$, two-tailed.

CHART 2

FALLING BEHIND

Head Start Enrollment Per 100 Poor Children
Ages 3 to 5 Years Old, 1978-1987



- The portion of poor children served by Head Start has decreased significantly.

Note: This chart compares the total number of Head Start enrollees with the total number of poor children. Not every Head Start enrollee is poor.

(From the Wall Street Journal, May 1, 1989)

Losing Faith

Many Americans Fear U.S. Living Standards Have Stopped Rising

They Believe Their Children Face a Tougher Future; But 'Boomers' Have Hope

Nagging Lag in Productivity

By Alan Murray

Staff Reporter of The Wall Street Journal

For nearly three decades after World War II, the rise in American living standards was as reliable as a Maytag washer.

In the first decade following the war, young families moved into Levittown-style houses at the rate of 4,000 a day. In the next decade, auto production approached one million a month. And by 1975, Americans were buying enough wash-and-wear fabrics each year to cover the state of Rhode Island.

The march of material prosperity created the easy assurance that each generation would live better than the last.

Today, that has changed.

The economic confidence of the postwar years has faded. In a painful awareness striking at the heart of American life, many no longer assume that their children will be better off than they are.

Steven Nuckles is saddened at the thought. An office-supply salesman in Mount Lebanon, Pa., he can easily measure his prosperity over that of his parents—by his cable-television service, his microwave oven, his overseas holidays. "My parents would take a vacation at the nearest lake," he says.

Part of a Series on Pivotal Issues and Trends Pertaining to The Journal's Centennial Year

His daughters, now six and nine, will enjoy no such leap in living standards, he fears. "I don't believe I can say Brook and Erica will live better than I do," he says glumly.

The stark change in expectations is underscored by a recent Wall Street Journal/NBC News poll. Despite seven years of solid economic growth, Americans who think the standard of living is falling narrowly outnumber those who think it is rising. And although 65% believe that their generation is better off than that of their parents, only 40% are confident that their children's generation will be.

Similar concerns emerged in a gathering of 10 "baby boomers" assembled by pollster Greg Schneiders in Overland Park, Kan. But when giving their views of the future, most of them expressed characteristic American optimism. Said Keith Marter, an electrician participating in the discussion: "I think the American public on the whole, when they get a gut full of something, they'll go out and bust their humps to change it."

Expectations about the future may vary—but what is that future really likely to hold? Has the American dream of ever-rising living standards vanished, dwindled to a faint hope or merely gone into hibernation? To answer that question, this newspaper interviewed a broad range of economists, educators, businessmen and political leaders about the forces that will shape U.S. living standards in the next century.

Shrinking Lead

Output per worker in thousands of 1987 dollars

	[illegible]	[illegible]	[illegible]
United States	$22.3	$34.5	$39.2
Japan	3.5	15.8	27.6
West Germany	8.0	21.4	31.6
South Korea	N.A.	5.6	13.3

N.A.=Not available

Note: Dollar amounts translated from foreign currencies using purchasing power parities

The picture that emerges is murky. Although the rise of living standards has slowed, it hasn't stopped. Nor is it likely to. Experts overwhelmingly agree that with enough effort and the right policies, the nation theoretically can chalk up gains well into the next century.

Golden Years Gone

But it's also clear that the golden years of 1946-73—the years in which postwar America enjoyed a dominant economic position—were an anomaly, almost certainly not to be repeated in the lifetime of Americans living today. In the past decade and a half, the economy's ability to provide greater returns to every working American has faltered. And there are some trends, such as the rapid buildup in America's foreign debt, that portend even more trouble for the future.

At the heart of the debate over living standards lies a troubling paradox. The nation is going through a whirlwind of technological change, with advances emerging almost daily in fast-moving fields such as microelectronics and biotechnology. But that technological change isn't fueling economic growth as surely as in the past.

"The process by which new technology is increasing and updating industry," says Harvard Business School professor Michael Porter, "is sort of sputtering in the United States."

For economists, the problem shows up

Please Turn to Page A8, Column 1

Continued From First Page

in a sharp decline in the growth of "productivity"—a measure of the economy's output per man-hour. Advances in manufacturing technology provide the basis for increases in productivity, which, in turn, form the foundation for a steady rise in material well-being.

But in the past decade, this parade of economic forces has slowed to a crawl—a mere 1% annual increase in productivity since 1973, compared with robust gains averaging 3% a year from 1948 to 1973.

The performance among manufacturers has improved somewhat in recent years as companies strive to meet foreign competition. But in the service area, where four-fifths of all Americans are employed, productivity remains stagnant. "The productivity in the whole service area has been rather poor," says John Young, the chief executive of Hewlett-Packard Co.

The causes of the slowdown in productivity are complex. "We really don't understand very well why productivity slowed down so much," says Frank Levy, an economist at the Urban Institute in Washington. "And if we don't understand why it slowed down, we can't know much about what it's going to do in the next 20 years."

That slowdown is especially puzzling, given the extraordinary explosion of computer technology that, on the surface, appears to have dramatically altered American work life in the past decade and a half. Computers have introduced a whole new way of business to banks, insurance companies, wholesalers, retailers and even newspapers. "The computer revolution has shown up everywhere—except in the productivity figures," says Mancur Olson, a University of Maryland economist.

The problem may be partly one of measurement. The government's statistics mills haven't developed a way to measure productivity in many important service industries, such as banking. So, many innovations, such as the 24-hour teller machine, simply go unmeasured. But a recent study by Martin Neil Baily of the Brookings Institution and Robert J. Gordon of Northwestern University concludes that such measurement errors account for no more than a third of the slowdown.

Unneeded Information?

The rest is a mystery. "The cynical explanation," says Robert Solow, a Nobel-laureate economist, "is that all that computer capacity and word processing is producing information that nobody needs."

For workers, the productivity problem has contributed to a slowdown in earnings. Adjusted for inflation, hourly pay last year averaged 8% less than the peak rate in 1972. "In the last 10 or 15 years," says former United Auto Workers President Douglas Fraser, "the purchasing power of working people has retrogressed."

Productivity growth plunges. Wages drop. Yet the average American family keeps consuming more and more. How?

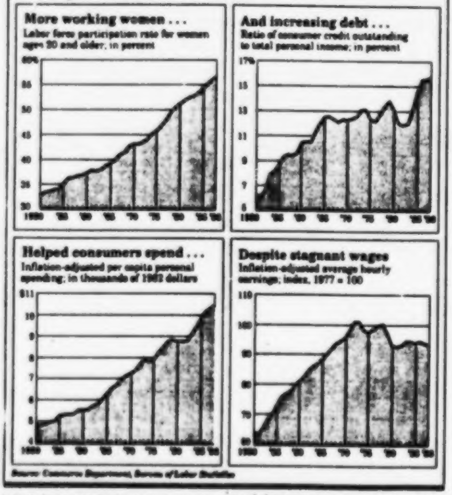
First, the steady influx of women into the work force has increased family earnings. Second, Americans have gone ever deeper into debt to maintain their standards of living. But neither trend can continue indefinitely, and, as a result, experts and laymen alike worry about the future.

Janet Pekarik, a 39-year-old part-time nurse who participated in the Kansas discussion, is typical. When her parents were her age, she recalls, they lived in "a concrete slab, no basement, three bedrooms and a living room. We didn't have a dryer; we hung the clothes out on the line. We didn't have a color TV until the '60s. We didn't have VCRs, microwaves, anything like that."

But though better off than her parents, Ms. Pekarik believes that her progress has stopped in recent years. "All I know is that 14 years ago, when I wasn't working at all, we were better off than now with my husband and I both working," she says.

The role that debt plays in maintaining today's living standards was evident to the Kansas group as well. Patti Volts, a divorced mother, exclaimed that MasterCard offered her a credit line of $15,000. "That's what I earn in a year!" And Donna Miller, a mother of four, noted that while her family has "a lot more comforts" than her parents, her parents would "sacrifice those comforts to save money for the future. I don't know which is better."

Living on Borrowed Time?



More working women . . .
Labor force participation rate for women ages 20 and older; in percent

And increasing debt . . .
Ratio of consumer credit outstanding to total personal income; in percent

Helped consumers spend . . .
Inflation-adjusted per capita personal spending; in thousands of 1982 dollars

Despite stagnant wages
Inflation-adjusted average hourly earnings; index, 1977 = 100

Source: Commerce Department, Bureau of Labor Statistics

The legacy of a decade of debt may loom as the greatest threat to future living standards. Heavy borrowing by consumers and by the federal government has turned the U.S., once the world's largest creditor, into the world's largest international debtor. And the burden of paying interest on that debt will drain American incomes well into the next century, particularly if productivity growth remains slow.

"In the absence of an improved productivity growth," writes Robert Lawrence of the Brookings Institution, "America's future living standards will have to grow more slowly in order to bring national spending into line with production."

But despite the storm clouds, there are some reasons for optimism. Perhaps the most important is simple demographics.

The coming of age of the baby-boom generation and the flood of women into the workplace have swelled the percentage of the population that works, to an all-time high of 66% last year from less than 60% in the 1950s. But now, the work force has absorbed that population bulge, and companies are finding it increasingly difficult to find and keep workers. That steps up the pressure to seek labor-saving technology — and to raise worker productivity.

Shock Therapy

"American management has certain inertial elements, and you need some external shock to make them get serious about improving productivity," says Mr. Levy of the Urban Institute. Foreign competition and the last recession were the shocks that jolted manufacturers in the 1980s. "And now, the scarcity of labor could have the same kind of effect on the service sector," the economist adds.

The demographic shift alone won't assure prosperity into the next century. The government will have to set the right policies. "I'm optimistic about our capacity to get through this rough transitional period and restore our sense that things are going to continue to get better," says Peter Likins, the president of Lehigh University in Pennsylvania. "But it will take an act of will."

People interviewed for this article repeatedly cited the budget deficit as the greatest threat to future living standards. If the national debt continues to surge, experts contend, the next generation will be saddled with servicing huge debt. Rep. Leon Panetta, the chairman of the House Budget Committee, is nostalgic for the attitude of his Italian-immigrant father. "He was a fellow who did not believe in carrying credit cards. He never had a credit card. And he used to kick the hell out of his sons for even having a gasoline credit card. That was just the way he lived: You don't spend what you don't have."

Now, the California Democrat adds, "We're beginning to break that bond with our children and our children's children that they will have a better life."

The U.S. also needs to improve its ability to translate technological breakthroughs into commercial products. Nathan Rosenberg, a Stanford University economic historian, is reminded of Britain during much of this century — a nation noted for inventiveness but not for industry. "We seem to have a remarkably high capability for doing research and innovation," he says, "but when it comes to the ability to commercialize what engineers do, we don't seem to be nearly as good."

Education and Welfare

In addition, the nation's education and welfare systems must be strengthened, experts say, to prepare the U.S. labor force for the future challenges. Slower labor-force growth offers an opportunity for people to get better, higher-paying jobs. But those jobs will be available only to people with the right skills.

"Education has to improve," says Matina Horner, the president of Radcliffe College. "We have to tighten standards in schools. But that won't be enough if the people entering the pipeline are coming in physically or mentally underdeveloped because of drug abuse or malnutrition or any of the other problems."

To prepare the labor force for the jobs of the future, she says, "health, education and welfare policies must all be integrated. No success with trade deficits and budget deficits is going to make quality life possible if we don't address those other problems."

Representative SCHEUER. I understand the mayor of New York, Ed Koch, is here now. Mr. Mayor, would you come up and take the witness stand?

I'd like to yield to my colleague, Congressman Bill Green, who has been one of the most steadfast and courageous and forthright exponents of education excellence in our country from Head Start right through postsecondary education.

Congressman Green.

OPENING STATEMENT OF REPRESENTATIVE GREEN

Representative GREEN. Thank you very much, Mr. Chairman. Let me welcome you to the 15th Congressional District. You've picked one of its historic institutions, the Educational Alliance, as the site of this hearing and I'm sure you know why your staff picked it. You've visited upstairs and seen the Head Start Program up on the fourth floor.

Let me say at the outset that I share your enthusiasm for Head Start and I think that it's time we pay full attention to our human capital, the same kind of attention we've been paying to our physical capital. I think the charts which you have on the other side of the room amply illustrate that we fail to do that. I think the point in fact that the big drop here occurred in 1978 through 1981, were actually a little higher level today than we were in 1981, and I'm just wondering why it happened. Where all of us acknowledged the value of this program.

Certainly of all the Great Society programs, none has been more tested, more evaluated and done to such length and time as the Head Start Program has been and as you accurately pointed out, the proof is crystal clear that in terms of employment, in terms of length of education, in terms of involvement in the criminal justice system, Head Start is a proven success.

I just want to congratulate you on having this hearing today. Let me apologize to the panel members that I am going to have to leave shortly, but I do want to expresss my appreciation to Jim Scheuer for scheduling this hearing and to our panel members for participating.

Representative SCHEUER. Thank you very much, Congressman Green, for your attendance at this and at every hearing that I have ever conducted that deals with the well-being of the kids and children and the parents in New York. You are a phenomenal force for educational well-being and I congratulate you for your diligence and your dedication.

We will now hear from the great mayor of New York, a mayor who has stood for educational achievement. The glass is a little more than half full on Head Start. We serve 77,000 kids at educational risk. About 40,000 of them are in a Head Start type of program.

We congratulate you on the little more than half of the glass that is full. We hope you'll give us some encouragement that we're going to fill up the part of the glass that is still empty. There are still 30,000 kids who are at educational risk, who urgently need a Head Start type of experience and who aren't getting it.

We're delighted to have you here. Please take such time as you may need and then we'll have some questions for you.

STATEMENT OF HON. EDWARD I. KOCH, MAYOR, NEW YORK CITY

Mayor Koch. Thank you. I just have a brief part of the prepared statement that I'll introduce into the record, that I'd like to read.

And the statistics—you know them better than anybody else, but they ought to be just put into the record.

More than one in four children below the age of 6 live in poverty in the United States. Fewer than one-third of these poor children participate in an early childhood program. Head Start serves just 345,767 of the 1,629,000 children between the ages of 3 and 4 who live in poverty—about one-fifth of the total.

For more affluent children, participation in early childhood programs approaches 60 percent. The gap between rich and poor, as you know, is growing wider in New York City and throughout the country, threatening us all with the emergence of a growing underclass. The consequences will be costly unless we close the early education gap as one way to close the economic gap as these children grow older. We cannot afford the cost of lost human potential. We must move forward with bold initiatives to bring the benefits of high quality early childhood programs to all children.

Your bill to amend the Head Start Act and provide funds to increase the number of spaces in Head Start programs is an example of the bold action required. Several other bills now before Congress—the Act for Better Child Care, the Hawkins bill, and Smart Start—also offer creative strategies to meet the pressing need for early childhood services. But a comprehensive solution will require effort at all levels of government—Federal, State, and city. We are hopeful that more will be done in the city, budgetary constraints obviously apply.

Over the last 10 years, we regret that the number of spaces in subsidized day care centers has only increased from 40,615 in 1979 to 43,788 today. However, the city shares in financing this increase has grown from 19.3 percent in 1979 to 41.6 percent today. During this same period, we expanded the number of spaces in Head Start programs from 7,266 to 11,788. And yet, there are still too many children for whom a space is not available.

Just to conclude the formal part of my prepared statement—we initiated Project Giant Step, which is a high-quality, half-day preschool program for 4-year-olds. There are about 10,000 such children in those programs. There are two reasons why the programs have not been expanded so as to cover the 40,000 eligible in totality.

Those two reasons are: First, space considerations; and the second one is money. Money is a problem. Just so you have an idea about the money—the State of New York has a $2,900 billion budgetary deficit which they're closing. You have to close it. We have to have a balanced budget.

The city of New York has a $1 billion budgetary deficit for the next year which we will close and the close of that budgetary deficit will take the form of reduced services and higher taxes. There's no other way to do it. And people have to understand that.

We have wherever we could, excluded from having to give either at the office or at home. The chancellor has done remarkable work in making the dollar go further than any of his predecessors. He took on the bureaucracy, removed maybe 1,000 people from 110 Livingston St., he has cut expenses—there are limits as to what he can do, too.

But within those limitations, I believe the board of education is working far better than it worked. I believe that people don't give the school system enough credit. We only talk about the things that aren't working as well as we'd like them. We never talk about the things that work well. It's impossible to catch up with the bad news.

The bad news was that our children were falling behind in reading scores. The good news was that they were progressing. Nobody ever heard that they were progressing. They only heard that because of the change in the way they compute the scores, because all kids across the country are learning to read better and our kids are learning to read better than most of the major big cities and most of the cities in the State of New York, but nevertheless not as well as most of the smaller cities around this country where they don't have the problems of poverty and when the newspapers don't break out that information that way and simply say our children are falling behind, it gives an erroneous impression which we will never catch up with.

And it takes the heart out of parents, it takes the heart out of the kids, takes the heart out of the chancellor, and takes a little part of my heart, too.

[The prepared statement of Mayor Koch follows:]

PREPARED STATEMENT OF HON. EDWARD I. KOCH

I want to thank you for inviting me to appear here to testify on early childhood education, one of the most important issues facing our nation today. I commend you for holding hearings on this timely topic and for your efforts to ensure that as many pre-school aged children as possible will have the long-term advantages that accrue from high quality early childhood programs. I also commend you, Congressman Scheuer, for introducing H.R. 1374 to fund an additional 145,000 spaces in Head Start programs for our neediest children. The economic and human benefits of early childhood programs has been amply demonstrated by the High/Scope Research Foundation for the Perry Preschool Project, by the research conducted by Martin and Sylvia Deutsch in New York City, and by the Brookline Project in Massachusetts.

In spite of budgetary constraints and the demands of almost every City agency for additional funding, I have chosen to make early childhood education a priority for New York City because I believe that this investment will be repaid many times over as these youngsters grow to adulthood.

MORE THAN 1 IN 4 CHILDREN BELOW THE AGE OF 6 LIVE IN POVERTY IN THE UNITED STATES. FEWER THAN ONE THIRD OF THESE POOR CHILDREN PARTICIPATE IN AN EARLY CHILDHOOD PROGRAM. HEAD START SERVES JUST 345,767 OF THE 1,629,000 CHILDREN AGED 3 AND 4 WHO LIVE IN POVERTY -- ABOUT ONE FIFTH OF THE TOTAL. FOR MORE AFFLUENT CHILDREN, PARTICIPATION IN EARLY CHILDHOOD PROGRAMS APPROACHES 60%. THE GAP BETWEEN RICH AND POOR IS GROWING WIDER IN NEW YORK CITY AND THROUGHOUT THE COUNTRY, THREATENING US ALL WITH THE EMERGENCE OF A GROWING "UNDERCLASS." THE CONSEQUENCES WILL BE COSTLY UNLESS WE CLOSE THE EARLY EDUCATION GAP AS ONE WAY TO CLOSE THE ECONOMIC GAP AS THESE CHILDREN GROW OLDER. WE CAN NO LONGER AFFORD THE COST OF LOST HUMAN POTENTIAL. WE MUST MOVE FORWARD WITH BOLD INITIATIVES TO BRING THE BENEFITS OF HIGH QUALITY EARLY CHILDHOOD PROGRAMS TO ALL CHILDREN.

YOUR BILL TO AMEND THE HEAD START ACT AND PROVIDE FUNDS TO INCREASE THE NUMBER OF SPACES IN HEAD START PROGRAMS IS AN EXAMPLE OF THE BOLD ACTION REQUIRED. SEVERAL OTHER BILLS NOW BEFORE CONGRESS -- THE ACT FOR BETTER CHILD CARE, THE HAWKINS BILL, AND SMART START -- ALSO OFFER CREATIVE STRATEGIES TO MEET THE PRESSING NEED FOR EARLY CHILDHOOD SERVICES. BUT A COMPREHENSIVE SOLUTION WILL REQUIRE EFFORT AT ALL LEVELS OF GOVERNMENT -- FEDERAL, STATE, AND CITY. NEW YORK CITY HAS TAKEN AGGRESSIVE STEPS TO MEET THIS NEED.

OVER THE LAST TEN YEARS, WE REGRET THAT THE NUMBER OF SPACES IN SUBSIDIZED DAY CARE CENTERS HAS ONLY INCREASED FROM 40,615 IN 1979 TO 43,788 TODAY. HOWEVER, THE CITY SHARE IN FINANCING THIS

INCREASE HAS GROWN FROM 19.3% IN 1979 TO 41.6% TODAY. DURING THIS SAME PERIOD, WE EXPANDED THE NUMBER OF SPACES IN HEAD START PROGRAMS FROM 7,266 TO 11,788. AND YET, THERE ARE STILL TOO MANY CHILDREN FOR WHOM A SPACE IS NOT AVAILABLE AND TOO OFTEN, THE UNSERVED CHILDREN ARE OUR POOREST CHILDREN WHO HAVE THE MOST TO GAIN FROM THESE PROGRAMS.

IN ORDER TO FURTHER INCREASE THE NUMBER OF SPACES FOR PRESCHOOL YOUNGSTERS, I INITIATED PROJECT GIANT STEP, A HIGH QUALITY HALF-DAY PRESCHOOL PROGRAM FOR 4-YEAR-OLDS. FOLLOWING THE RECOMMENDATIONS OF A SPECIAL COMMISSION ON EARLY CHILDHOOD EDUCATION, PROJECT GIANT STEP IS DESIGNED TO OVERCOME THE FRAGMENTATION OF SERVICES THAT SO OFTEN HINDERS THE DEVELOPMENT OF EARLY CHILDHOOD PROGRAMS. DRAWING UPON THE EXPERTISE AND EXPERIENCE OF THE TWO CITY AGENCIES CHARGED WITH THE EDUCATION OF YOUNG CHILDREN, PROJECT GIANT STEP IS A COLLABORATIVE EFFORT IMPLEMENTED THROUGH THE AGENCY FOR CHILD DEVELOPMENT AND THE BOARD OF EDUCATION. THE GIANT STEP PROGRAMS TAKE PLACE IN A VARIETY OF SITES; IN PUBLIC SCHOOLS, IN HEAD START CENTERS, AND IN DAY CARE CENTERS AROUND THE CITY. THIS EFFORT IS COORDINATED THROUGH A NEW OFFICE THAT I SET UP, THE MAYOR'S OFFICE OF EARLY CHILDHOOD EDUCATION.

BEGINNING WITH 2600 SPACES IN 1986, PROJECT GIANT STEP HAS GROWN AND IS NOW FUNDED TO SERVE 10,000 CHILDREN. IN ADDITION TO A SUBSTANTIAL TAX LEVY COMMITMENT FOR THE OPERATION OF THE PROGRAM, I HAVE ALSO ALLOCATED OVER ONE MILLION DOLLARS TO ABT ASSOCIATES OF CAMBRIDGE, MASSACHUSETTS, TO CONDUCT A RIGOROUS

ASSESSMENT OF PROJECT GIANT STEP OVER THREE YEARS. PRELIMINARY FINDINGS FROM THIS EVALUATION SHOW THAT GIANT STEP IS, INDEED, MAKING A DIFFERENCE IN THE LIVES OF CHILDREN, THEIR FAMILIES, AND THE DEVELOPMENT OF THE EARLY CHILDHOOD PROFESSION.

THESE FINDINGS SUGGEST THAT THE CHILDREN IN THIS PROGRAM ARE LEARNING. PROJECT GIANT STEP CHILDREN HAVE DEMONSTRATED AN ABOVE AVERAGE GROWTH IN SCHOOL READINESS SKILLS AS MEASURED BY STANDARDIZED TESTS. THEY HAVE ALSO DEMONSTRATED A GREAT IMPROVEMENT IN THEIR ABILITY TO WORK WITH THE CLASSROOM STAFF, WITH OTHER CHILDREN, AND WITH CLASSROOM MATERIALS THROUGH AN INCREASED SELF-RELIANCE AND A GREATER ABILITY TO EMPLOY A RANGE OF PROBLEM SOLVING STRATEGIES. THESE SKILLS HAVE BEEN SHOWN TO LEAD TO LATER SCHOOL SUCCESS.

THE GIANT STEP PROGRAM ALSO FOCUSES ON THE HEALTH OF THE CHILDREN AND THEIR FAMILIES. LAST YEAR, MORE THAN 3000 CHILDREN AND FAMILY MEMBERS PARTICIPATED IN A VISION SCREENING PROGRAM. AS A RESULT, SEVERAL HUNDRED PARTICIPANTS WERE GIVEN PRESCRIPTIONS FOR GLASSES AND OVER 30 YOUNGSTERS WERE REFERRED FOR CORRECTIVE SURGERY IN ORDER TO AVOID POTENTIALLY DEBILITATING VISION PROBLEMS. THE CHILDREN RECEIVE REGULAR HEARING SCREENS AND MORE THAN 95% HAD COMPLETE IMMUNIZATIONS, INCLUDING THE HIB VACCINE. WE KNOW THAT CHILDREN CAN NOT LEARN WHEN THEY ARE IN NEED OF MEDICAL SERVICES. I SUGGEST THAT THIS IMPORTANT COMPONENT BE MADE A PART OF ALL EARLY CHILDHOOD INITIATIVES.

WE ARE ALSO BEGINNING TO LEARN ABOUT THE POSITIVE EFFECTS THIS PROGRAM HAS ON THE PARENTS OF THE CHILDREN. UNDERSTANDING THAT PARENTS ARE A CRITICAL FACTOR IN THE CHILD'S DEVELOPMENT, GIANT STEP NOT ONLY PROVIDES A WELL DEVELOPED PROGRAM FOR PARENTS, WE ALSO FUND ONE PERSON PER CLASSROOM TO WORK WITH THE PARENTS AND TO ACT AS LIAISON BETWEEN THE CLASSROOM AND THE HOME. WALK INTO A GIANT STEP PARENT ROOM IN THE BRONX AND YOU WILL FIND 15 TO 20 PARENTS INVOLVED IN MAKING EDUCATIONAL GAMES FOR THEIR CHILDREN, OR WORKING WITH A CONSULTANT TO FIND MORE EFFECTIVE WAYS TO PROVIDE NUTRITIOUS MEALS ON LIMITED BUDGETS, OR PARTICIPATING IN ENGLISH AS A SECOND LANGUAGE CLASSES. A PEEK INTO A PARENT ROOM IN BROOKLYN WILL SHOW PARENTS ENGAGED IN LITERACY PROGRAMS, OR LEARNING ABOUT POSITIVE DISCIPLINE STRATEGIES, OR FINDING OUT ABOUT RESOURCES WITHIN THEIR COMMUNITY. THESE PARENTS VOLUNTEER IN THE CLASSROOMS AND HAVE HELPED REVIVE MORIBUND PARENT ASSOCIATIONS THROUGHOUT THE CITY.

WE HAVE ALSO LEARNED THAT MANY OF THE GIANT STEP PARENTS HAVE USED THE PROGRAM'S SERVICES AS A SPRINGBOARD TO THEIR OWN EDUCATION AND CAREER GROWTH. AT 20 GIANT STEP DEMONSTRATION SITES WE HAVE PROVIDED LITERACY PROGRAMS SPECIALLY DESIGNED FOR THE PARENTS OF YOUNG CHILDREN. MANY OF THESE PARENTS HAVE GONE ON TO COMPLETE THEIR GED, TO ENROLL IN JOB TRAINING CLASSES, OR BEGIN THEIR COLLEGE EDUCATION. UNSOLICITED TESTIMONY FROM PARENTS TELL US THAT THE PARENT PROGRAM HAS MADE AS MUCH OF A DIFFERENCE IN THEIR LIVES AS THE CLASSROOM PROGRAM HAS IN THE LIVES OF THEIR CHILDREN. WE'RE GLAD THAT THE FEDERAL GOVERNMENT ALSO SUPPORTS INTERGENERATIONAL LITERACY PROGRAMS AND HAS PASSED

THE EVEN START BILL. WE, OF COURSE, HAVE SUBMITTED A PROPOSAL TO USE EVEN START TO BUILD ON OUR LANDMARK EFFORTS.

THE PROGRAM HAS BUILT A CADRE OF SKILLED EARLY CHILDHOOD PRACTITIONERS THROUGH ITS COMPREHENSIVE STAFF DEVELOPMENT PROGRAM. EVERY NEW MEMBER OF THE GIANT STEP STAFF PARTICIPATES IN UP TO 20 DAYS OF PRESERVICE AND 16 DAYS OF INSERVICE TRAINING EACH YEAR. MORE EXPERIENCED STAFF PARTICIPATE IN AN EQUAL NUMBER OF INSERVICE TRAINING DAYS AND UP TO 10 DAYS OF PRESERVICE TRAINING. THE RESULT OF THIS SKILL DEVELOPMENT HAS BEEN ASTONISHING. GIANT STEP HAS HAD AN ANNUAL STAFF TURNOVER RATE OF BELOW 8% IN ITS EVALUATION SITES. WE KNOW THAT ONE INDICATOR OF A HIGH QUALITY PROGRAM IS A STABLE, WELL-TRAINED STAFF. GIANT STEP HAS ACHIEVED THIS THROUGH ITS UNIQUE STAFF TRAINING PROGRAM.

WE KNOW THAT GIANT STEP, HEAD START, AND DAY CARE PROGRAMS WORK FOR THE CHILDREN AND FOR THEIR FAMILIES. BUT THERE ARE MAJOR OBSTACLES TO FURTHER EXPANSION. FOR ONE, THE SPACE FOR ADDITIONAL PROGRAMS IS NEARLY IMPOSSIBLE TO FIND IN NEW YORK CITY AND MANY OTHER URBAN AREAS. I AM MOVING TO OVERCOME THIS OBSTACLE IN SEVERAL WAYS. FIRST, I HAVE FUNDED THE DESIGN OF A PROTOTYPE EARLY CHILDHOOD MODULE WHICH COULD BE INCLUDED IN EVERY NEW SCHOOL BUILDING. THESE MODULES ARE SELF-CONTAINED AND COULD BE USED TO HOUSE EARLY CHILDHOOD PROGRAMS OFFERED BY THE SCHOOL OR BY A COMMUNITY BASED ORGANIZATION. WE ARE ALSO INVESTIGATING A VARIATION OF THE SAN FRANCISCO PLAN THAT REQUIRES EVERY NEW OFFICE OR HOTEL BUILDING TO PROVIDE AN ON-SITE CHILD CARE FACILITY OR PAY A SPECIAL PURPOSE ONE-TIME FEE TO FUND A CHILD

CARE FACILITY OFF-SITE. AND WE ARE ALSO CONSIDERING PROVIDING INCENTIVES FOR BUILDERS WHO INCLUDE SPACE FOR EARLY CHILDHOOD PROGRAMS AS PART OF THEIR NEW CONSTRUCTION. BUT THESE ARE LONGER-TERM SOLUTIONS AND THE CHILDREN CAN NOT WAIT.

NEXT FALL, IF THE BUDGET ALLOWS, I WILL INITIATE A HOMEBASED PROGRAM TO BRING THE SERVICES OF PROJECT GIANT STEP TO CHILDREN WHO ARE EXCLUDED DUE TO LACK OF SPACE IN THEIR AREA. IF THE CHILDREN CAN NOT COME TO US, WE WILL GO TO THEM. CHILDREN WILL NOT BE NEGLECTED BECAUSE THEY LIVE IN THE POOREST AND MOST OVER-CROWDED AREAS OF THE CITY.

THIS HOMEBASED PROGRAM WILL BE MODELED ON THE PROVEN EFFECTIVENESS OF HEAD START'S HOMESTART PROGRAM, HIGH/SCOPE'S PARENT TO PARENT PROGRAM, AND ISRAEL'S HOME INSTRUCTION PROGRAM FOR PRESCHOOL YOUNGSTERS (HIPPY). THIS PROGRAM WILL FOCUS ON TEACHING THE PARENTS -- THE CHILD'S FIRST TEACHER -- HOW TO PROVIDE IN THE HOME THE LEARNING EXPERIENCES THAT WOULD NORMALLY OCCUR IN AN EARLY CHILDHOOD PROGRAM. WE WILL ALSO PROVIDE THE SUPPORT SERVICES AVAILABLE THROUGH GIANT STEP AND HEAD START PROGRAMS TO FAMILIES ENROLLED IN THE HOMEBASED PROGRAM.

ANOTHER OBSTACLE IS THE HIGH COST OF PROVIDING QUALITY EARLY CHILDHOOD SERVICES. NEW YORK CITY CURRENTLY CONTRIBUTES MORE THAN 89 MILLION DOLLARS FOR DAY CARE, CLOSE TO 20 MILLION DOLLARS FOR GIANT STEP, AND WE HAVE SET ASIDE 2.25 MILLION FOR HEAD START PROGRAMS, TO BE USED ONCE THE FEDERAL FUNDS HAVE BEEN EXHAUSTED. I BELIEVE THIS MONEY IS AN INVESTMENT IN THE FUTURE OF THIS CITY

AND THIS NATION, BUT THE COST OF EXPANDING SERVICES TO ALL PRESCHOOL CHILDREN WILL BE STAGGERING. THE FEDERAL GOVERNMENT MUST PROVIDE A LARGER SHARE OF THE COSTS OF THESE PROGRAMS. THE COST WILL BE HIGH, BUT CERTAINLY NOT AS HIGH AS THE COSTS OF REMEDIATION, ILLITERACY, INCARCERATION, OR UNEMPLOYMENT.

FINALLY, WE FACE THE OBSTACLE OF RECRUITING AND RETAINING WELL-TRAINED STAFF. GIANT STEP HAS MADE ENORMOUS PROGRESS IN THIS AREA, AND I SUGGEST YOU TAKE A CLOSER LOOK AT THEIR SUCCESSFUL EFFORTS IN DEVELOPING THE SKILLS OF THEIR STAFF AND PROVIDING THE SUPPORT STRUCTURE TO KEEP STAFF IN THE PROGRAM.

WE HAVE LEARNED A LOT ABOUT EARLY CHILDHOOD EDUCATION SINCE THE INITIATION OF HEAD START IN 1965. WE HAVE LEARNED THAT THERE ARE NO IMMEDIATE SOLUTIONS FOR THE PROBLEMS ASSOCIATED WITH URBAN EDUCATION, BUT WE HAVE ALSO LEARNED THAT HIGH QUALITY EARLY CHILDHOOD EDUCATION PROGRAMS SUCH AS HEAD START AND GIANT STEP HOLD MORE PROMISE THAN ANY OTHERS. AGAIN, I APPRECIATE YOUR EFFORT TO EXPAND HEAD START OPPORTUNITIES FOR AN ADDITIONAL 145,000 PRESCHOOLERS. THE ADDITIONAL 500 MILLION DOLLARS YOU HAVE PROPOSED IS AN EMINENTLY WORTHWHILE INVESTMENT IN OUR FUTURE.

Representative **Scheuer**. And it's also true that they don't give us credit for outstanding education excellence.

Mayor **Koch**. Thirty-nine percent of the awards are won by our kids with Westinghouse and we only have 3 percent of the school population in the country. That's a fact. But nobody cares about that.

Representative **Scheuer**. But it's true that education failure is apparently more newsworthy than education success.

Mayor **Koch**. Right.

Representative **Scheuer**. Congressman Green.

Representative **Green**. You've obviously set as a goal having the start of education in the school system come down to the age 4, and I guess all along in this program and maybe this is not just your's and Chancellor Green's too, there's been some tension between the question of whether preschool education should be done by starting the school year earlier, whether it should be some sort of freestanding program of social service oriented, or school system oriented. I'm wondering what your views are——

Mayor **Koch**. State the question once again.

Representative **Green**. Whether the better approach is to advance the start of the school years by having the school system, not only in kindergarten, but prekindergarten, nursery school or whether you're better off with a free standing essentially social service oriented kind of system apart from the school system to deliver the early childhood program.

Mayor **Koch**. That's a rock and a hard place. I suspect that what you have to do is do both there. Our social services that have to be delivered—they cannot take the place of the educational services.

I was advised by our people that we're going to try since we do have a money shortage, that we're going to try, where we can't bring the kids into the school, we're going to do what I'm told is done effectively in other places around the country—somebody ought to go and look and see how effective it is because I've heard these stories before but I'll accept it as a fact that if you send a social worker, not a teacher into a home that has a 3- and 4-year-old, that you can teach that parent through a social worker to do a better job in educating their kids at home until we're able to bring them into the system. I hope it's true.

We are looking at that and if funds are available, we are going to try to start that.

Representative **Green**. Thank you, Mr. Chairman.

Representative **Scheuer**. Delighted to have you here, Congressman Green.

Mr. Mayor, the ideal would be to get all 3- and 4-year-olds at risk into some kind of an enriched preschool program. That is what has worked across the country with Head Start. That is what has worked for 75 or 80 years with middle-class and upper middle-class parents who could afford to send their kids to a preschool program.

We're serving a little over half the kids in this city who could use an enriched preschool program. We know that the city is under severe financial constraints. We know, and you've told us, that the State is under financial constraints.

I can tell you as a Member of Congress that the Federal Government is under financial constraints. But this is an investment which must be made. And I use that word advisedly—this is not an expenditure, it's an investment in the future of our country to produce an educated, productive, skilled, work force and to reduce welfare and crime and drug addiction and all of the associated illnesses that flow from education failure.

We must make this investment. Tell us where these funds can come from—the Federal, State, local, or private sector, the business community? I'm going to ask Jim Murphy, the chancellor of our university system and leading banker in this State the same question.

Can you envision getting funds to support Head Start from any combination of these three services? Is there a chance that you could work out programs with the business community to provide enriched preschool programs at the worksite where working parents can bring their kids while they work?

Mayor KOCH. I understand what you're saying. I believe that there are restraints placed upon the school system as there are upon government that are unreasonable in how they spend their money.

For example, we spend far more on special education than we should be spending because of archaic and arcane rules that don't allow us to do what our people say would be a better use of the money. Whether it's the size of the class or—I don't have the technical expertise to go into the resource rooms and others, but they're done now under mandates that our experts tell us cost us money without any achievement. And if we could save those moneys, we could use those moneys to better advantage for the whole school system.

Representative SCHEUER. Let me ask you if you would have your staff prepare a brief statement giving us the details on these matters.

Mayor KOCH. On special education?

Representative SCHEUER. Yes.

Mayor KOCH. Yes, we will.

Representative SCHEUER. On the reasons why your education system is forced to spend money in ways that are unproductive—that don't produce learning, don't produce educational advancement.

Mayor KOCH. That's our belief. We will give you a memo on that. My belief is that as is the case at every level of human endeavor, the people who are there rarely like to be observed and criticized. Maybe somebody can say that about me. I hope it's not true.

Representative SCHEUER. Your job description in and of itself determines that you live and work in a fish bowl.

Mayor KOCH. More than that, after 12 years, you learn to roll with the punches, so to speak, and to live with the unfair attack, but I've come to the conclusion that part of my role is to allow people to vent their frustrations by figuratively kicking the mayor. That's now part of the mayor's official role. That it reduces tension.

Whereas maybe 12 years ago I would have slugged back, today I just accept it. Leonard Stavisky says we should have a day, slug the mayor.

Mr. STAVISKY. A designated day.

Representative SCHEUER. I think it would take a week.

Mayor KOCH. That's all I can add. We try desperately year after year to reduce the amenities in government of which there are many. Some in the school system, but others outside, foolish mandates that get us nowhere and we're going to give you a paper on that.

Representative SCHEUER. On all of the foolish mandates.

Mayor KOCH. Yes.

Representative SCHEUER. I want to introduce Congressman Teddy Weiss whose presence at a hearing like this along with Billy Green is almost predictable. Teddy is one of the most constructive, thoughtful, creative, and involved members of the New York City delegation. We're delighted to have you here. Please proceed with your questions and an opening statement.

Representative WEISS. Thank you very much. I'm not going to take time from the panel for an opening statement. I'm delighted that you're holding these hearings.

Let me focus just a little bit on the question that Jim Scheuer asked you on the fiscal problems that all the levels of government are having. You probably know that the current, the fiscal 1989 deficit is estimated at the Federal level to be $165 billion and we're making some very false assumptions as to how we're going to reduce that to $100 billion by the end of the next fiscal year.

Given all of that, and given the problems that you've noted at the State and city level, how would you address the Federal Government, say in spite of their shortfalls, in spite of their deficit, that they have to come up with more money——

Mayor KOCH. Two things that I would suggest which we always do. One is that no matter how much productivity you have achieved, you must never in any one year eliminate a major effort to achieve even more productivity.

We are the only city in America, to the best of my knowledge, where we measure the city's productivity from year to year, and there are four to six agencies that comment on our productivity efforts and in the 12 years that I've been the mayor, we have established to the satisfaction of the monitoring agencies that, we not in new true dollars, but based on old dollars at the time that the productivity was achieved, we have saved more than $800 million which becomes invested in delivering current services that we need as opposed to simply paying for services heretofore delivered, and that generally is translated into fewer people delivering the same service.

This year we are going to have an effort to achieve productivity. I think the figure is over $100 million. I suspect the Federal Government has to do that as well. It's not an adverse reflection on the Government. Every government has to do it. We do it.

The second is, I believe that the income tax rates are out of whack. To have a tax bracket which is like 14 and 28 no matter what the range of income is is insanity.

I believe that it was helpful to have the tax reductions. I absolutely believe that, but on the other hand, they did it in a way that was stupid. It was one time, before the tax rates were reduced, where we measured that in a 5-year period we were losing something like $750 billion because of the Reagan tax reductions. I believe in tax reductions. We all benefit. I benefit as well.

But the new tax rates that are now permanently fixed in the IRS should be changed, and you ought to have more than two. You ought to have maybe four.

Representative **Scheuer**. I would echo your feelings of frustration. President Reagan used to boast proudly that tax rates were at an all time low. The corporate tax rates and individual tax rates were at a 50-year low during his administration, after the reduction of the tax rates, and he used to say that proudly.

I say there's something wrong with a country that has the lowest tax rates in half a century, far lower than any other industrialized country that I know of. There's no country in Europe or Scandinavia that has those low rates, not Canada, not New Zealand, not Australia, not Japan.

While at the same time we achieve these record low tax rates, we are only sending one-fifth of the kids at education risk to a Head Start Program. And we still have a situation in New York City where a kid who is drug addicted, who desperately wants to get off of his addiction and who calls a hot line is told we're filled up now, we don't have enough slots, call back in 6 or 8 months.

I think there's something shameful and disgraceful about a country that has that kind of value structure. We're taxing ourselves at about one-fourth or one-fifth per gallon of gas that European countries tax themselves and at the same time, kids who urgently need help in their education cannot get it.

Mayor **Koch**. Exxon commits a violation that their name will live forever in infamy so the price of gasoline goes up to pay for their costs. Why don't you pass a law that says that when you commit such an egregious I believe criminal act, that you can't make that a business deduction in the costs of cleanup. That has to come out of the stockholders.

Why should we be paying? That's multimillions of dollars. God knows, it may be over a billion before they're finished and yet, they're not going to pay for it. We're going to pay for it. Why?

Representative **Scheuer**. The Congress hasn't even started to deal with the Exxon outrage. A lot of citizens have been cutting up their Exxon credit cards and mailing it to them and I hope you will do the same, Mr. Mayor.

Mayor **Koch**. I don't have an Exxon card, but my suggestion is—and it's a good idea—but you can really hit them by changing laws that would bar people who commit environmental outrages that are grossly negligent—I'm not talking about a simple accident—grossly negligent. That's what they were here. From deducting the expenses of cleaning up that gross negligence from their income taxes.

Representative **Scheuer**. And that negligence started before the accident with the absolute absence of any kind of plan for a possible cleanup. It continued with gross negligence and unconcern after the accident, where their response was pitifully inadequate.

Mayor **Koch**. I'll give you another example—here you are bailing out the savings and loan institutions and the figures that I have seen were not clear. The first were $90 billion, then went to $165 billion and then went to $195 billion. Those are figures I've seen in the press. God knows what the real figure is.

I've also seen a statement that said that close to 97 percent of those failures were due to criminal acts on the part of directors and others in the institutions. We're not even going after those people. We're not even trying to recover those moneys. We're just bailing them out. I can't figure it out. What the hell is wrong with us?

Representative **Scheuer**. Let's get back to Head Start.

We'll now hear from the chancellor of the Board of Education of New York City, Mr. Richard Green.

STATEMENT OF RICHARD R. GREEN, CHANCELLOR, NEW YORK CITY PUBLIC SCHOOLS

Mr. **Green**. Congressman Scheuer, Congressman Weiss, at 10:30 today we have a number of students who are assembling at Central Park so I have to leave in a very short period of time. They're going to talk about the relationship that students have one to another, and responsibility that students have one to another, about this city, their lives, this country, and our society.

I have provided for you a prepared statement that would be most available to the subject we're here to talk about today, but I wish I did have more time because it touches upon a substantial issue affecting and to some degree afflicting the future of this country.

We believe that it is an investment strategy, your word is the correct word that in fact if we do not and cannot intervene into child developmental practices, then one of our major investment strategies will have failed, we won't be competitive.

We also believe that the American family has changed. We think that there needs to be a whole host of studies about the fact that family formation has changed drastically in this city and potentially in this country, and so early childhood education, early intervention, nursery school education—each of these things need to be reconsidered in light of a changing family structure in America and I would argue, although I don't have the time today, that that's worthy of a continued discussion.

Representative **Scheuer**. Mr. Chancellor, with all due respect, I feel that your request for a whole host of studies is not timely. It is not productive. We know enough now to know the cause of education failure. We know enough now to know the cause of family disintegration. There are studies gathering dust on the shelves. What we need is an action program. What we need is for you to come to the New York City Council, the New York State Legislature and your own congressional delegation with specific, identifiable, visible, tangible proposals for education improvement of all kinds.

This is what we need: an action program not a whole host of further studies.

Mr. **Green**. On the contrary, I would like to respectfully disagree with you and I'll tell you why. When one out of six students came to the New York public schools this past September, in our kindergarten class, the mothers have not turned the age of 18, which means that they were conceived before the age of 13. We do not have the study or the knowledge to know what's happened in the first 60 months of those children's lives. Children raising children.

I would disagree that we know the nutritional input and value and development of students who live in those kinds of conditions. I would disagree that the simple statements of poverty, the issues of bilingual education are so fully understood by this society that we have the answers. But to the extent that we know what the targets are, to the extent that we want to increase access to the mainstream, to the extent that we want to make people whole, I would agree.

The reason we're going to Central Park today is that there's a whole host of lack of knowledge of what has happened to young people. Claude Rowl, "Man Child of the Promised Land." He found a different Harlem. He could not understand that Harlem. He could not understand the laws of retribution or the kind of concerns that people have for other people. He could not understand the coldness or the callousness of how people treat each other. So I disagree respectfully that we have the answers to that degree.

I would also disagree that when people lived in shelters in the late 1980's—you spoke about the first part of this decade—when they've lived in shelters for several years or from home to home and part of the homelessness in hotels, that we understand the psychology of what it means to live in those kind of conditions.

There are various points of view about what all those things are, but I would agree that we would propose as we have in New York City 12-month schools. I would propose that the schools be open from 7 a.m. to 7 p.m. I propose that we give birth grants at the hospitals and begin to invest in parenting education for those young people. I would agree that we know how to deliver those kinds of systems, but to the extent that we have the whole picture, I would disagree respectfully.

With that, I'm in partnership with you—which is why I'm here this morning—because I believe that the evidence of Head Start is very clear. I believe that the Michigan study has given great yield, causing New York to enter an education for 4-year-olds, continue an education for those people who are underachievers, as young as 48 months, in our continuing emphasis on trying to address the dropout program by moving resources into our elementary practices.

With that, I'd be glad to not only offer up the testimony with our proposals, but to take any questions at this time.

[The prepared statement of Mr. Green follows:]

PREPARED STATEMENT OF RICHARD R. GREEN

Good morning. My name is Richard Green. For the past 14 months I have served as Chancellor of the New York City public schools, the largest school system in America.

It is a pleasure to give testimony on a subject of such compelling importance. Providing quality early childhood education must be a cornerstone of the public education agenda this year and throughout the next decade. There is no more important priority. I commend the Joint Economic Committee and its Subcommittee on Education and Health for advancing this critical issue.

If our students are to master the skills necessary to compete in the 21st century, they will need to be better prepared. Research and practice tell us that such preparation must begin as early as possible — a quality early childhood education program has a dramatic long term payoff. A plethora of studies have documented that if we invest more in the child's early experience, we will save on remediation and necessary social service supports later. Our experience in New York City confirms these findings. Further, we have discovered that programs which involve the entire family — parents, siblings and the extended household — and that begin even before the child is school-age -- are the most successful.

I need not tell you how high the stakes are for our society. Clearly the next generation of Americans will require solid skills to compete in the global economy. There are other essential prerequisites to citizenship to which a quality early childhood education program will contribute.

For many young people in New York City the schooling they receive in pre-kindergarten or kindergarten programs are essentially their first lessons in cooperation, caring and compassion. These skills and values must be transmitted by our society. Without a core of standards and values to shape their futures, many children in the City will founder.

A recent Newsweek cover story referred to ages 4-8 as the "wonder years" for children. In New York City these wonder years are especially critical because many students enter the schoolhouse challenged by distinct economic disadvantages or other factors that make achievement more difficult.

For example, in New York City the student population has the following characteristics:

- Almost 80% of our schoolchildren are Black, Latino or Asian. About 40% of our 940,000 schoolchildren live in poverty.
- Almost 50% of our children come from single parent families.
- Nearly 100,000 students and many more parents lack proficiency in the English language; over 100 distinct languages are spoken in New York City.
- Nearly one out of six students entering kindergarten — 10,000 five- and six-year-olds — were born to teenage mothers.
- 6,000 public school students and their families live in shelters, single room occupancy hotels and other forms of temporary housing.

Despite these obstacles, many of our students are achieving. In fact those students who enter the New York City public schools as four- or five-year-olds and stay there for a sustained time are making significant progress. The Committee is no doubt aware of the long term benefits of early childhood education as documented in the Ypsilanti, Michigan High Scope study. This study found that children who attended pre-school were less likely to dropout, become pregnant or go on welfare at some future time as a group that did not participate in the pre-kindergarten program. Viewed in this light, an investment in early childhood education is extremely cost effective. We are conducting our own long-term longitudinal study in New York City.

The Board instituted an all day kindergarten program for all entering students in 1983-84 and a number of pre-kindergarten, reduced class size and enhanced guidance and support programs in the past five years. The Board's research shows that such early investment is paying off in the achievement of youngsters. For example, based on our 1986-87 Reading scores:

- only 1/3 of third graders who did not attend a New York City kindergarten or pre-kindergarten program read at or above grade level. About 1/2 of those who had attended all-day or half-day kindergarten read at or above grade level.

With the initiation of Project Giant Step, our model program for four-year-olds, in 1986-87, we expect future results to be even more positive.

Most interestingly, our own research shows that nearly 2/3 of the third grade class did not enter the public schools in kindergarten, only about 1/3 had been in New York City schools from kindergarten on. About 2/3 had attended our schools from first grade on. In a City that remains a welcoming point for so many immigrants, mobility and discontinuity of education are clearly important factors. But these factors may be less intrusive if families are given more opportunities to start their children in school at a younger age.

Early childhood education programs for four- and five-year-olds are essential, but they are not sufficient to meet the needs of urban youngsters and their families. We must intervene even earlier and establish a habit of connecting the education system intricately with the home environment. If parents see education as essential to their child's development from the first day they are born, for the 48-60 months before they enter the public school, our jobs will be that much easier.

I am suggesting a partnership between schools, day care providers and community organizations that must begin earlier -- not when a child turns 4 or 5, but from the day the child is born up until school and beyond the day the student graduates from public school. We must establish in James Comar's words a "caring community," where schools are viewed as vibrant centers that engage children and adults in an atmosphere that is warm and nurturing and that promotes the highest standards.

In New York City we have already introduced several high quality early childhood programs that are working. Each of these initiatives targets children in need and relies on key design principles on what works best for youngsters. These programs include intensive parent involvement and support, reduced class size, staff development, paraprofessional and guidance personnel support, cooperative learning techniques, health and social support services and intensive evaluation components. The major programs are as follows:

- Project Giant Step is a nationally acclaimed program for four-year-olds. Currently 5,600 four year olds from across the City participate in this half day program. Next year an additional 1,500 slots are scheduled to be filled. Approximately 3,500 children are served in a program that is similar in design through funding from New York State. Key program components of both models include: a developmentally appropriate education program to meet the social, emotional, cognitive and physical growth of each child; health education and referral; nutrition, social services and counseling and an extensive parent involvement program; intensive staff development and "continuity" activities to ensure the child's smooth transition into kindergarten. Approximately, $18 million will be spent on Project Giant Step this year. About $12 million is spent on the State's experimental pre-kindergarten program.

- Project Child serves more than 40,000 kindergartners and first grade children in 150 schools. This program provides children with supplementary educational services which focus on language acquisition skills and literacy development. The strategies employed include smaller class size, staff development, paraprofessional and guidance support and educational enrichment activities.

Since assuming my position, I have designed several other early childhood initiatives that are now in place or are soon to be implemented. Among the most promising initiatives are:

- The Summer Primary Program - In July 1988, I introduced the first summer kindergarten program in the nation. Over 9,000 youngsters participated in the six week program, 7,300 attended regularly. This year the program has been expanded to not only give incoming kindergartners or kindergartners with limited experience a head start, but to serve first graders as well. We anticipate that 20,000 kindergartners and first graders will enroll. Early evaluation findings from last year indicate positive results.

- Project Return - The large number of teenage mothers in New York City requires special attention. These youngsters are more likely to place their own education and their child's educational future in jeopardy. This September, we will implement a program designed to serve both the teenage mother who dropped out and her child in the same educational setting. The mother will receive instruction to complete her high school diploma and necessary employment training while the child is enrolled in an early childhood program within the same school environment. Special parenting education and appropriate social services will be offered.

- Birthgrams - We have entered a collaboration with Bank Street College and the City's Health and Hospital Corporation to distribute educational "birthgrams" to new parents. This pilot project will operate in two inner city hospitals beginning in September, 1989 and will offer information to all new parents on the importance of early childhood education, resource materials for parents, key developmental benchmarks to observe and a directory of child-serving agencies in the community.

- Replication of Beethoven Project - We are now planning a replication of the Beethoven project that is operating in Chicago. We will identify a City housing project or cluster site housing in cooperation with the City's Human Resource Administration and Housing and Preservation Development departments over the next several months. The goal of the collaboration will be to demonstrate the efficacy of education and support services at the earliest intervention point possible. The Beethoven model provides effective educational support to families from the day a child is born up until the conventional entry point into school. We believe that such continuity of support is essential to prepare students in New York City for the opportunity to excel in the public schools.

Expanded early childhood opportunities are not a luxury, they are an imperative. As the Congress supports missiles in defense of this nation's security so too it must invest in the future workforce that will make our economy strong. An investment in children is an investment in the nation's future. We know enough to make it work. I urge you to keep faith with the taxpayers by giving educators in cities like New York the resources to make a difference with the generations' most precious asset — the children.

Thank you.

Representative **Scheuer**. Congressman Ted Weiss.

Representative **Weiss**. Thank you. Would you expand a little bit on the project Giant Step Program? Describe that for me. How many kids could qualify for that program? What percentage are you in fact covering at this point? How does it fit in with the Head Start Program?

Mr. **Green**. Project Giant, was a 4-year-old program that we were attempting to take advantage of early intervention. Currently there's between 5,000 and 6,000 students. We're looking for another 1,500 next year. We want to look at the way in which children are developing, so it's a child developmental strategy manipulation, working together, socialization sort of direction.

The chairman talked about the nursery school movement back in his day and Project Giant Step heads in that same direction. We try to engage parents and some responsibility for child developmental activities——

Representative **Weiss**. To what extent does it coordinate with or differ from the Head Start Program?

Mr. **Green**. I suspect it has a lot of similarities.

Representative **Weiss**. Between Giant Step and Head Start, what percentage of the children are attending classes?

Mr. **Green**. I have no idea about the—you mean of the potential——

Representative **Weiss**. Right.

Mr. **Green**. I have no idea about the potential pool of 4-year-olds in New York City. All I know is what we are able to do based on a space availability in our schools during that period of time, with some districts being unable to offer that program. It's on a voluntary, ongoing basis. We cannot locate children until they show up at the school door, so its real potential is unknown. We could get that answer for you.

Representative **Weiss**. I would appreciate it.

[The following information was subsequently supplied for the record:]

NEW YORK CITY BOARD OF EDUCATION
OFFICE OF PROGRAM AND CURRICULUM DEVELOPMENT
EARLY CHILDHOOD EDUCATION UNIT

EARLY CHILDHOOD PROGRAMS
1988-1989

PROJECT CHILD

Participants: More than 40,000 kindergarten and first grade children in over 1600 classes in 150 schools in 26 districts participate. Schools were selected on basis of Spring 1986 second grade reading scores.

Design: Children participate in supplementary educational services which focus on language and literacy development. 67 schools cap registers at 22 children; 83 schools where space is limited, select alternative services including staff developers, English as a Second Language/Early Childhood teachers, paraprofessionals or guidance personnel.

Essential components include coordinated staff development plan, interactive parent program, enriched trip program and additional supplies and materials.

Funding Source: Tax Levy and Chapter I

Cost: $23,000,000

PROJECT GIANT STEP

Participants: 3600 four year old children in 20 districts participate in three hour half-day programs.

Design: Key components of Project Giant Step include:

- AN EDUCATIONAL PROGRAM which is developmentally appropriate and designed to encourage the social, emotional, creative, cognitive, and physical growth of each child;
- A HEALTH PROGRAM which provides health education to children and their families and facilitates referrals to and the delivery of related health services;
- A NUTRITION PROGRAM which provides each child with a nutritious breakfast or snack and a well-balanced lunch;
- A SOCIAL SERVICES PROGRAM which provides referrals to local community programs and to health, housing, legal, and counseling services to all Project Giant Step families;
- A PARENT INVOLVEMENT PROGRAM which provides parents with the skills and opportunities to become active participants in their child's education;

- A STAFF DEVELOPMENT PROGRAM which provides pre-service and in-service professional development for all staff who interact with children; and
- CONTINUITY ACTIVITIES to ensure careful attention to the child's transition to kindergarten.

Funding Source: Chapter I and Tax Levy

Cost: $18,000,000

NEW YORK STATE PREKINDERGARTEN

Participants: 3460 four year old children in 21 districts participate in a 2 1/2 hour half-day program.

Design: The guidelines from the New York State Education Department provide for the development of a comprehensive program including:

-health and nutrition services
-social services
-parent involvement and participation
-professional development activities
-continuity of instruction to kindergarten and first grade

Funding Source: State Education Department and Tax Levy

Cost: $12,284,605

SUMMER PRIMARY PROGRAM

Participants: Approximately 20,000 kindergarten and first grade children in 200 schools in 32 districts will participate in a six week summer program from July 5 - August 11, 1989, from 8:30 A.M. to 2:30 P.M.

Design: A developmentally appropriate non graded program is planned in classes capped at 22, with a teacher and educational assistant. Children will be served breakfast, lunch and a snack. A Parent Involvement component is initiated by a Family Assistant in an on-site Family Room. Appropriate materials and supplies are provided in addition to ongoing staff development.

Funding Source: Chapter I

Cost: $10,000,000

EARLY GRADE CLASS SIZE REDUCTION

The Boards class size reduction program requires that the average class size of kindergarten, grade 1, 2 and 3 classes be maintained at 25.

Where sufficient space is not available and grade 1, 2 and 3 classes have more than 28 children, the Board requires that additional paraprofessionals or teachers be assigned to these classes for part of the day. This past year, additional paraprofessionals or teachers were assigned to approximately 900 grade 1, 2 and 3 classes with more than 28 children.

Funding Source: Early Grade Intervention/Supplemental Support Aide

Cost: $95,000,000

THE PARAPROFESSIONALS IN KINDERGARTEN PROGRAM

Participants: 102 kindergarten classroom paraprofessionals are placed in approximately one-half of the most overcrowded elementary schools.

Design: The program is designed to reduce the child-adult ratio during this critical year of a child's education.

Funding Source: Tax Levy

Cost: $15,000,000

Representative **Scheuer**. Chancellor Green, the one thing we know about Head Start is that it is the most cost-effective way of preventing education failure and of encouraging education success. Head Start is the key for kids from disadvantaged homes to make it in schools and it's a far more cost-effective investment than remedial education after the kid has failed.

Mr. **Green**. I agree.

Representative **Scheuer**. Of all of the education programs that you provide of varying degrees of effectiveness and of all the expenditures that you're making for custodians and Lord knows what, aren't there ways that you can rob Peter to pay for Paul? In other words, rob from programs that are far less cost effective and produce far less in the way of positive education results than the Head Start Program that is being starved?

It's true that you're doing far better than the national average. You have somewhat over half the kids at education risk in Head Start compared to a national figure of about 16 or 17 percent. So let's give your system and let's give you credit for that.

But there are still almost half the kids who are at education risk who are not in an enriched school program. Can't you borrow money from here and there and elsewhere from programs that are nowhere nearly as productive for education achievement and channel those moneys into Head Start for that critical period of time when a kid urgently needs help to make it?

Mr. **Green**. If you're asking me what my priorities would be, if we had to shift from the secondary schools of this nation to the preschools of this nation to give students a better chance, I'm in favor of that. If you're asking for an on the record proposal this morning, I didn't come with one this morning except to say that clearly that falls in my priorities.

I would also—I don't want to spend tomorrow or on election day in New York City talking to those constituents who think I'm proposing cutting their programs today so they spend all day tomorrow beating upon me about didn't you say this or that?

Representative **Scheuer**. We can understand that. We'll wait until the day after tomorrow.

Mr. **Green**. I appreciate that.

Representative **Scheuer**. In deference to the time pressures you're under, we'll release you. We may have some extra questions for you by mail, but we'll encourage you to go up to that very important Central Park meeting.

Mr. **Green**. I would encourage these hearings and appreciate you being in New York City and provide the city with discussions.

Representative **Scheuer**. We're delighted to have you here and we will be in touch with you when we get the memo from Mayor Koch about some of the rigidities in the system that are forcing the system and forcing you to spend moneys in ways that are comparatively less productive and preventing you from spending moneys in programs like Head Start.

We'll now hear from Chancellor Jim Murphy. Chancellor Murphy has an appointment with the mayor, I'm told, within the next hour because of some of the problems in the university system and will have to leave quickly.

Chancellor Murphy has been chairman of the board of trustees of SUNY—rather CUNY—since 1980. Incidentally, CUNY is the third largest system in the United States with 183,000 students in 18 colleges, a graduate center, law school, and medical school. His wife, Margaret, is a New York City school teacher and that gives him additional insight into the education and learning problems of New York City.

Leonard Stavisky pulled me up sharp when I said SUNY is CUNY and he is accusing me of dating myself and he's absolutely right. SUNY was the City College of New York which in its time, a generation ago, was probably the preeminent intellectual center of higher education in the United States. It may not have been as fancy and elegant as Harvard, Yale, or Princeton, but it produced that same level of education excellence and we mourned its decline and we're happy to see that CUNY is now retaking its place among the institutions in our country that stand for education excellence.

Jim Murphy, we're delighted to hear from you this morning and I hope that you'll bring your banking experience and your business leadership that's been so marvelous to your testimony and tell us among other things how the business community can help in this mission of taking care of the kids at education risk who are not in a Head Start Program.

Is there any possibility or likelihood that corporations could be induced to offer an enriched preschool program at the corporate site for the benefit of working parents who come to work at 8 or 9 o'clock and who can bring their kids along and leave them in an all day day-care program with an enriched education training?

Please take such time as you may need.

STATEMENT OF JAMES P. MURPHY, EXECUTIVE VICE PRESIDENT, NEW YORK STATE BANKERS ASSOCIATION

Mr. **Murphy**. Thank you very much, Mr. Chairman. It's my pleasure to be here and let me at the outset say that I am grateful to Chairman Serrano and to Senator Stavisky and to Mr. Campbell for allowing me to speak first.

Unfortunately, I don't have thousands of students waiting for me up in Central Park. There are hundreds of students who are protesting who you know from the papers and about 10 units of the City University and these are very tense and very sensitive times so we're trying to keep an eye on it.

I am pleased to express my appreciation not only for the opportunity to speak about Head Start and other early childhood education endeavors but to express my appreciation to you Congressman Scheuer and to the subcommittee for the leadership that you have provided and the series of hearings you have held concerning the importance of education and maintaining the competitiveness of the United States and this increasingly globalized economy.

New York is a city of pain. It is no longer accurate to characterize New York City as having a housing crisis, an education crisis, a criminal justice crisis, a drug crisis, or an AID crisis. The city is experiencing all of these and more which can be summed up by stating that New York City is experiencing a human crisis of increasing magnitude. In the New York Times a couple of weeks ago, Josh Barbanel included reference to the following alarming factors. A number of them are set forth in my prepared statement. I'll just refer to a couple.

Two-thirds of low-income children do not graduate from high school in this city, leaving them all but helpless in a high-tech job market.

One-third of the nearly one-half million children on public assistance live in isolated pockets of such intense poverty that they are cut off from the world of work and independence.

By the time most children in the poorest areas of this city reach 16, they are no longer in school. They no longer respond to adults, they disappear from daily life except to show up from time to time in the street corner drug trade—they're gone.

From the above examples, it is not difficult to come to the conclusion that the relevant conditions in the city are getting progressively worse rather than improving. To acknowledge that, however, does not mean that one should throw up one's hands in despair. Nor should we be deterred from continuing those public, private and voluntary sector efforts currently underway to deal with the housing, education, criminal justice, drug and AIDS calamities.

On the contrary, it is critically important at this juncture that we affirm that there is a pervasive and fundamental human crisis in our midst. We must acknowledge that no man, woman, child, or institution has not yet been touched by these dysfunctional realities which could ultimately disable us and our institutions. We must engender a sense or urgency as never felt before and cry out for the mobilization of all of the resources at our command to try to reverse this situation.

In this context, most assuredly Head Start and other forms of early childhood education and social intervention are an imperative need for our society. These programs have a proven track record and require dramatically increased replication and support from both the public and private sectors. The process of positive human development has to start as early as possible and this must be affirmed loudly and clearly. As it works, as practically every study, analysis, and evaluation of these programs has shown.

If the corporate community is to continue to have a positive and constructive environment in which to function in urban America, especially in New York City, then it is going to have to become more involved than ever before. Unfortunately the past is merely a prologue to what is really needed to deal with the human crisis I have been describing. The corporation cannot be the sole player—surely the Government and voluntary sectors, together with empowered neighborhoods, must also vigorously participate—but the corporation must be a big player.

As for the subject of this hearing, corporations can be more supportive of Head Start and early childhood programs in the following ways:

Target their corporate contributions for these activities;

Have proactive volunteer programs among their employees to get involved on a voluntary basis in these programs;

Corporations must expand their management advisory and endeavor to have great expertise in a number of areas that could be put to use in these programs;

Corporations must increase day care on premises, incorporating educational components; and

Corporations must become advocates for greater public funding.

Corporations must see these activities as contributing not only ultimately to a better work force, but also their potential to help alleviate the distress caused by poor housing, inferior public education, crime, drug abuse and AIDS. Corporations are also going to have to identify strategies for increased participation in programs directed at all of these problems, through both individual company and collective endeavors.

Nothing short of maximum corporate effort will do the job.

And, last but not least, Congress must continue to be sensitive to what it can do to help alleviate our human crisis by encouraging all elements—corporate, volunteer, local government, and neighborhood resources—to be fully utilized in this war against human misery. Begin by strengthening Head Start and go on from there to provide creative incentives, especially to corporations, encouraging all to get more deeply involved.

Lead us and leverage us. Both are critically important.

I thank you for the opportunity to express my views on this important matter.

[The prepared statement of Mr. Murphy follows:]

PREPARED STATEMENT OF JAMES P. MURPHY

Mr. Chairman and members of the Subcommittee, I am pleased to have the opportunity to testify on the benefits of Head Start and other early childhood education programs. I am also pleased to express my appreciation to the Subcommittee and to you Congressman Scheuer for the leadership you have provided in the series of hearings you have held concerning the importance of education in maintaining the competitiveness of the United States in this increasingly globalized economy.

New York is a city of pain. It is no longer accurate to characterize New York City as having a housing crisis, an education crisis, a criminal justice crisis, a drug crisis, or an AIDS crisis. It is experiencing all of these and more which can be summed up by stating that New York City is experiencing a human crisis of increasing magnitude. In the New York Times on Sunday, April 2d a story written by Josh Barbanel included reference to the following alarming factors:

-- Two-thirds of low income children do not graduate from high school, leaving them all but helpless in a high-tech job market.

-- One-third of the nearly one-half million children on public assistance live in isolated pockets of such intense poverty that they are cut off from the world of work and independence.

-- In the poorest communities, one in five mothers is a teenager, two of five pregnant women have late or no prenatal care, infant mortality rates are double the city rate and 13% of babies born are retarded or have health problems because their birth weight is so low.

-- City-wide the percentage of children who live below the Federal poverty level went from 25% in 1975 to 37 1/2%, or 681,790 children, in 1987.

-- The number of families headed by a single female rose 1/3d to 388,000 between 1975 and 1986.

-- Increasing numbers of poor children are being raised by grandparents or aunts because their young parents have died from AIDS transmitted from heroin needles.

-- By the time most children in the poorest areas reach 16, they are no longer in school, they no longer respond to adults, they disappear from daily life except to show up from time to time in the street corner drug trade -- "They're gone".

From the above examples, it is not difficult to come to the conclusion that the relevant conditions in the city are getting progressively worse rather than improving. To acknowledge that, however, does not mean that one should throw up one's hands in despair. Nor should we be deterred from continuing those public, private and voluntary sector efforts currently underway to deal with the housing, education, criminal justice, drug and AIDS calamities.

On the contrary, it is critically important at this juncture that we affirm that there is a pervasive and fundamental human crisis in our midst. We must acknowledge that no man, woman, child or institution has not yet been touched by these dysfunctional realities which could ultimately disable us and our institutions. We must engender a sense of urgency as never felt before and cry out for the mobilization of all of the resources at our command to try to reverse this situation.

In this context, most assuredly Head Start and other forms of early childhood education and social intervention are an imperative need for our society. These programs have a proven track record and require dramatically increased replication and support from both the public and private sectors. The process of positive human development has to start as early as possible and this must be affirmed loudly and clearly. And it works, as practically every study, analysis, and evaluation of these programs has shown.

If the corporate community is to continue to have a positive and constructive environment in which to function in urban America, especially in New York City, then it is going to have to become more involved than ever before. Unfortunately the past is merely a prologue to what is really needed to deal with the human crisis I have been describing. The corporation cannot be the sole player -- surely the government and voluntary sectors, together with empowered neighborhoods, must also vigorously participate -- but the corporation must be a big player.

As for the subject of this hearing, corporations can be more supportive of Head Start and early childhood programs in the following ways:

- Targeted corporate contributions
- Pro-active volunteer programs
- Expanded management advisory endeavors
- Increased day care incorporating educational components
- Advocacy for greater public funding

Corporations must see these activities as contributing not only ultimately to a better work force, but also their potential to help alleviate the distress caused by poor housing, inferior public education, crime, drug abuse and AIDS. Corporations are also going to have to identify strategies for increased participation in programs directed at all of these problems, through both individual company and collective endeavors.

Nothing short of maximum corporate effort will do the job.

And, last but not least, Congress must be sensitive to what it can do to help alleviate our human crisis by encouraging all elements - corporate, volunteer, local government and neighborhood resources - to be fully utilized in this war against human misery. Begin by strengthening Head Start and go on from there to provide creative incentives, especially to corporations, encouraging all to get more deeply involved.

Lead us and leverage us. Both are critically important.

Thank you for the opportunity to express my views on this most important matter.

Representative SCHEUER. Thank you very much, Mr. Murphy.

Congressman Ted Weiss.

Representative WEISS. Mr. Murphy, tell me what efforts you're aware of that have been made to organize the corporate community along the lines.

Mr. MURPHY. Through organizations such as the partnership here in New York, the Business Council, the State Organization, through my organization which is the New York State Bankers Association, all of us are increasingly getting into education and social service promoting activities.

Representative WEISS. But it seems to me that's all very fragmentized and individualized. Is there in fact a concerted program to do the kind of things you talked about in your testimony?

Mr. MURPHY. I think not in all candor.

Representative WEISS. How do we get that done?

Mr. MURPHY. I think we have to jawbone and there has to be an expression by the public sector that this is important and the private sector has to acknowledge that it has a major role to play and I think communities and neighborhoods have to tell the private sector that they want them to come in and help.

I'm not denigrating those things that are happening. My organization had adopted nine high schools in Brooklyn and Queens. We have the Neidermeyer program where we're working with youngsters and guaranteeing them jobs in banks and it's working well.

We intend to expand this education program to the south Bronx in the fall and to the Harlem community in the fall of 1990.

I know that many corporations because of the need to accommodate both female and male parents are offering day care on premises.

Representative WEISS. Just on that point—my observation is that for the most part, that's being left undone. There's talk about it, but for the most part they're not doing it and it's self-defeating because they're crying about a labor shortage at the same time that they know that in order to be able to attract the work force, women to the work force, they have to provide care for the children.

I know that the Federal Government is great at making great pronouncements and talking how we're going to be the education president, or the education administration and then we don't provide the funding. There's always something more important. Head Start is underfunded. We demonstrated that prenatal care could return us $10 for every $1 that we spend and we don't do it and the corporate sector is really in the same position. They talk a great game when it's convenient for them to talk it, but except for the isolated efforts that you just spoke about with the schools, it's just not being done and I would like to think that somewhere along the line society as a whole would respond.

When I went to Congress in 1977, we renamed what was then the House Banking, Housing and Currency Committee to Banking, Housing and Urban Affairs and for the 4 years of the Carter administration, we seemed to have a program devoted to urban affairs.

The last 8 years, we've been rapidly abandoning urban America and it seems to me that we have to set examples and we have to also provide some political pressure.

Mr. MURPHY. I think part of the problem is I attempted to articulate in my brief statement that we do not realize how serious the problem is. This city is in a major crisis right now for all of the reasons I mentioned and the corporate community rose to the occasion back in the mid-1970's when it was a fiscal crisis and in partnership with unions, with government, with the community, this city was pulled out of its fiscal disaster.

The crisis today is quite different. It's of a human dimension. There are some fiscal problems. We have a budget problem at the State level, the mayor talked about the budget problem that the city is experiencing and both of you are well aware and we're well aware of the lingering Federal deficit.

But it goes beyond fiscal capacity because there are resources available and I think it's time for the entire community and I can only speak from greatest knowledge from the corporate community's point of view, to say these are hard times and they're going to get worse. And we have a much different role to play and I would suggest that as a followup to a hearing such as this, that the New York delegation under the leadership of Congressman Scheuer and under the leadership of the chairman of the Joint Economic Committee create an outreach to certain national and local individual businesses and trade groups and set up the time for a real, honest to goodness dialogue, a sharing of information. A sharing of concerns so that out of that might develop some kind of a mutual approach to dealing with many of these programs. To keep a focus on Head Start, corporate America is going to have to do more with respect to providing education, child care and child developing programs for its work force if it's going to attract and retain the quality work force that it needs.

It can't do that alone. It has to do that in conjunction with local government because these facilities have to be licensed, it has to do that in conjunction with State government and the Federal Government so that appropriate funding or additional funding can be provided.

My sense is that the corporate community is willing to pay for a part of this, a good part of this. It's not a funding issue alone.

I'm suggesting that this hearing is the occasion at least for me to rethink where my association is heading and perhaps it can be the occasion for other elements of the business community to do likewise, under the prodding of your leadership and under the prodding of the gentlemen who have been on this panel this morning—the mayor, the chancellor who has a great interest in this and we have two distinguished members of the New York Legislature, both leaders, both with long identification and the education needs of our city and Mr. Campbell is, of course, what it's all about.

I think there is hope, but first we have to develop a sense of urgency. Things are not rosy, the headline in the Wall Street Journal story that you referred to earlier is a reality and that unless we have a sense of urgency in this city, unless we do it at this time—this is the political year so let's make the best of it. It's also a time in our history when we have to decide what form of government we're going to have.

We have a board of estimate that's now unconstitutional. We have a charter revision process that's underway. We have all the good occasions to take a hard look. If we don't seize the opportunity, I think it will be too bad, things will get worse and this great metropolis will find itself in great difficulty as we go into the 1990's.

Representative **Weiss**. Thank you.

Representative **Scheuer**. Thank you very much, Mr. Murphy. Your words have been encouraging and I can assure you that not only I, and I happen to be chairman of the New York delegation as well as chairman of the Education and Health Subcommittee of the Joint Economic Committee—but all the other New York delegation members like Ted Weiss, like Bill Green, like Bobby Garcia—we will be asking for an opportunity to meet with you and your colleagues to achieve some progress.

I don't think we need a host of studies to tell us that we need the involvement of the corporate community, both for funding support and perhaps for Head Start management. I think they can provide some insights into how we can streamline the Head Start Program, how we can make it more effective in terms of management.

You spoke of proactive volunteer programs, corporate volunteer preschool programs. You talked about leveraging, and incentives to produce leveraging. Can you give us a few specifics of what you have in mind that either the city or the State legislature or the Federal Government could do to induce this flow of funds? How do we leverage? How do we provide the incentives for corporations to become active in meeting the challenge of providing an enriched preschool with day care at the site of the corporation to take care of young children for working mothers as well as fathers?

Mr. **Murphy**. The volunteer effort that I mentioned—there are some really committed and bright young people in our corporations and banks and investment banks in New York City and increasingly they will come to me, and I have four or five youngsters who are working in this field also, my own children, say what can we do.

For the corporation to have a meaningful impact on early childhood and Head Start programs, not necessarily in the workplace but outside the workplace, it would be terrific if corporations could provide some measure of release time throughout the course of a month or quarter for employees to become active as volunteers in whatever capacity in Head Start and comparable programs.

That may not necessarily require any kind of a tax benefit or incentive because I had to always link as we've done for so many years starting in the 1960's, the carrot and the stick. I think we have to be more creative about how we leverage the public dollar.

I think those kind of efforts can take place without any kind of direct subsidy——

Representative **Scheuer**. Just from jawboning?

Mr. **Murphy**. Yes. I think if the corporate community is going to do more in the way of providing early childhood, social service and education programs in the workplace or adjacent to the workplace, then I think the funding mechanisms and the licensing mechanisms, the liability aspect of it, all of these have to be reexamined.

Clearly, more has to be done of this nature and they're asking for it in the law firms, they're asking for it in the banks, they're asking for it in corporations. We've heard about the mommy track. I don't want to get into that one, but there is this need because—I mentioned men and women. Increasingly men want to be able to care for their children.

A colleague of yours from Queens, Gary Ackerman, before he became the famous Congressman, became famous because he wanted leave as a parent from the public schools so that he could spend a couple of years raising his youngster. He didn't make it, but he certainly got a lot of people's attention.

I think that's an idea of whose increasingly time is coming. I think the funding and the incentive aspect on programs that would be on-site programs ought to be looked at and that's the notion of leverage that I referred to.

Representative SCHEUER. Due to the time, we'll release you now. Thank you. We are very grateful for your appearance here today.

Mr. MURPHY. I look forward to following up with the subcommittee.

Representative SCHEUER. We'll be in touch with you.

Mr. MURPHY. Except for the difficulties with the university, I would certainly want to stay and be part of the dialog as it goes forward and I do apologize deeply for having to take a powder as they say, but I will be in touch with your staff and anything we can do to be helpful, we'll be happy to do it.

Representative SCHEUER. One last thing—you might do an informal poll of some of the corporations that want to contribute and perhaps have contributed. If there are any glitches in the bureaucracy, in the rules, or in the regulations that govern Head Start, if there are any impediments to the involvement of corporations, things that you think don't make a lot of sense, that prevent you from using people or space to provide Head Start programs at the worksite, please let us know.

We'll proceed to the other three members of the panel. One current chairman of the New York State Assembly Education Committee, one past chairman of the New York State Education Committee and a product of the Head Start Program itself, Robert Campbell. We look forward to hearing from all of you.

Assemblyman Serrano, as the current chairman of the New York State Assembly Education Committee, we'd like to hear from you now. Take as much time as you may need and tell us what you think we can do to improve the cost effectiveness, and to enroll in Head Start the almost 50 percent of the kids who are at education risk in this city.

STATEMENT OF HON. JOSE E. SERRANO, NEW YORK STATE ASSEMBLYMAN

Mr. SERRANO. Thank you very much. It's a personal hello both to you and Congressman Weiss.

I have a statement that I will read and then I will also comment on your questions.

Let me first say that it's always a pleasure to be with you and I always get the opportunity to remind people and I know you're smiling because you know why—first time I ever stood on a corner and handed out fliers or worked the bullhorn or did anything that anyone allowed me to do politically, some couple of years ago on 138th Street on Brook Avenue it was for you and you were the Congressman for the 21st Congressional District at that time and you must have done something right because this is 15 years that I've been in the assembly.

Representative SCHEUER. We're very proud of such an outstanding product of Bronx education and Bronx politics and we are proud to have projected a leader of your quality and your talent into the catbird seat in education in this State.

Mr. SERRANO. Thank you. For the record, if there's any one who's upset at my being in politics, it was in your campaign that I first got my feet wet, so they can blame you.

Representative SCHEUER. I'm very proud of that and I accept that if it's guilt, gladly and happily.

Mr. SERRANO. Two things have changed since then. First of all, I had no children at that time and now my oldest is 22. At that time, I didn't need reading glasses to read my statement.

As you know, several studies have examined the long-term effects of early childhood education programs and have found significant differences in school progress between children who had and had not participated in a preschool program. This is particularly true for children who come from homes where a language other than English is spoken. Prekindergarten programs such as Project Head Start and Giant Step are effective in improving a child's academic performance in later years. I believe in the importance of these programs. It is essential that we continue to give them our enthusiastic support.

On the State level, in 1966, the New York State Legislature established the Experimental Prekindergarten Program with the goal of determining whether organized preschool educational experiences could help overcome the potential education deficits in the backgrounds of disadvantaged children.

The program was considered experimental because it was designed to study two particular issues: First, the feasibility of public school administered programs for 3- and 4-year-olds; and second, the relative impact of a comprehensive prekindergarten program on a district's primary grades.

In general, these prekindergarten programs operate on a part-day basis and offer comprehensive health, social services, parent involvement, staff development and a developmental program. A study completed in 1980 and updated in 1985 showed that the Experimental Prekindergarten Program had a general effect, not restricted to grade level, on the children's knowledge of verbal concepts. It also found that, when attention was given in the primary grades to providing continuity in the children's educational experiences, a number of the effects of the program, especially quantitative skills, persisted into the primary grades.

The program has been most effective for children whose mothers had the least education and children who scored lowest on tests given to them at the beginning of prekindergarten. Finally, and perhaps most importantly, was the finding that children from the prekindergarten program were more likely to make normal progress through the primary grades than were similar children who had not attended a preschool program.

Presently, there are 100 programs funded and 120 participating school districts within the State of New York; 12,500 children are currently receiving services; 80 percent of the children who participate in such programs are from families for whom there is documented evidence of at least one indicator of limited income as well as other indicators of special needs.

It gives me great pleasure to say that since 1984, with the support of the assembly and the senate, the legislature has more than tripled funding for this project.

The 1989–90 State budget contains $38 million for the New York State Experimental Prekindergarten Program. This appropriation reflects a $5 million increase from the previous program year of funding.

This during a very tight funding year, I must tell you, that negotiations went very smoothly for this amount since both parties and both houses have understood the need to continue a commitment to this program.

I see this as a reflection of the assembly's ongoing commitment to enhancing access to early childhood education programs for children in New York State.

I want to take a few minutes to focus on some of my own feelings about the benefits of early childhood education. As chair of the education committee, my jurisdiction covers elementary and secondary education programs.

Over the years, the assembly has been successful in enacting legislation specifically aimed at reducing the dropout rate, expanding vocational education moneys, providing basic skills training and a host of other worthwhile and needed measures that have been effective in targeting the special needs of the growing numbers of children at risk of educational failure.

However, as I have previously stated, I feel very strongly that preventive measures, such as early childhood education programs, which provide young children with successful patterns of learning behaviors, social and academic skills, are effective tools in our efforts to reduce the dropout rate, the prevalence of teenage pregnancy, and various other social ills which plague our kids in today's society.

It has been my experience that children do not become troubled overnight. Instead, it is a gradual process that is affected by many factors. If our children are given the proper parental and professional guidance as well as health and nutritional sustenance we can help to build the solid foundation they will need for academic success in the future. Early childhood education makes sense!

In March of this year, the education committee of the assembly and the task force on food farm and nutrition policy held a hearing on school meal programs in New York State. This hearing reinforced for me, not only the importance of proper nutrition in the total development of a child, but the need to coordinate an array of educational, nutritional, and support services to effectively address the total development of the whole child. Clearly, support for early childhood education programs, which take the whole child into account are one way that we can help prepare our children for the future. We must recognize that the extent to which we are effectively able to coordinate these wide array of services will impact on the quality of our children's lives well into adulthood.

Having said this, I want to thank you for the opportunity to discuss the subject with you publicly and to continue as you have in the past to make this a top priority and an issue for discussion.

In response to your questions at the beginning of my testimony, say that of course the ideal situation would be to continue to find the funding at all levels to include every child. I even go as far as to be supportive of the region's proposal, which is to accept every child into an early childhood program, into a Head Start Program. Not necessarily those that are economically disadvantaged.

We know the reasons why it was established that way. I was a supporter. You've been a champion in that field and as of this point, that has been the best way to go. Prekindergarten is such an educational advantage for all children, as we begin to see signs throughout the system, the so-called better school out on Long Island and upstate, matching sometimes its failures with the inner city youth, then early childhood education, prekindergarten Head Start, Giant Step become in my opinion something the Government has to look seriously at funding for every child and that should be the dream.

Let me join Chancellor Green in disagreeing slightly with you on your statement that we've been studied enough. I'm one who claim that we've been studied to death, but I find in this city, and perhaps throughout the country, there are some issues repeating themselves that we either never learn how to deal with or we have to deal with in a different way.

When I came from Puerto Rico, language was the problem. As I've stood in a classroom or sat at PS-43, Bobby Garcia's alma mater and we went to the same school on Brown Place and 136th Street——

Representative SCHEUER. How old were you when you came from Puerto Rico?

Mr. SERRANO. I was 7 and I spoke no English whatsoever. At that time I remember a friend of mine being told by his partners—we came from a society where the teacher was the most important part of the community and we were told if the teacher doesn't give you permission to get up, you don't move. If the child could not communicate, the teacher didn't understand the child and so the child at the age of 8 wet his pants.

On through high school, he had that mark on his record that at 8 he was still not capable of controlling his physical impulses. I found just 2 years ago in holding special education hearings that the same thing was still happening to Haitian, Dominican, Colombian, Equadorian children—this generation's new migrants and immigrants to our city.

Yes, we have been studied to death but how much we've learned from those studies or are those studies obsolete in that perhaps—a Puerto Rican child in the 1950's is totally different from dealing with another Spanish-speaking child in New York City in the 1980's.

We must use early childhood, not as something as we do, and I admit to you in New York State, as something that is not part of the official formula for funding, but rather a side piece which we negotiate every year. Education should not start when the law announces it should start, with first grade. It should start with prekindergarten, that should be very much a part of the education law and that's why I would like to go in the State, if we can get both houses to agree and I think that's where we should go nationally.

I end up my testimony by declaring, I think that it should be a whole program, as in fact it has been in many cases. I think the whole issue of language deficiencies should be taken into consideration, nutritional issues should be taken into consideration, the whole child should be looked at. Every record, every poll, every study indicates that when you get this kind of treatment and services, you do much better later on.

I run the risk always of having someone say you didn't have those services, then why are you here? We shouldn't judge by one or two, we should judge by the larger number, and the larger number of my friends who grew up in the Milbrook housing project dropped out of high school and I venture to say that one of the reasons they dropped out of high school was the fact that no one had given them that early headstart in life.

[The prepared statement of Mr. Serrano follows:]

PREPARED STATEMENT OF HON. JOSE E. SERRANO

Good morning I am Jose E. Serrano and I am here as Chair of the New York State Assembly Standing Committee on Education. I would like to take this opportunity to thank Congressman Scheuer for inviting me to speak on the benefits of early childhood education programs.

Before I begin with my specific comments, let me strongly state for the record that I am and will continue to be committed to ensuring that all children receive the skills, resources and support services necessary for their social, psychological and economic well being in this society. In my opinion, early childhood education is an essential component towards achieving this success.

As you know, several studies have examined the long term effects of early childhood education programs and have found significant differences in school progress between children who had and had not participated in a pre-school program. This is particularly true for children who come from homes where a language other than English is spoken. Pre-kindergarten programs such as Project Head Start and Giant Step are effective in substantially improving a child's academic performance in later years. I genuinely believe in the importance of these programs. It is essential that we continue to give them our enthusiastic support.

On the State level, in 1966, the New York State Legislature established the Experimental Prekindergarten Program with the goal of determining whether organized preschool educational experiences could help overcome the potential education deficits in the backgrounds of disadvantaged children. The program was considered experimental because it was designed to study two particular issues: 1) the feasibility of public school administered programs for three and four-year olds and two, the relative impact of a comprehensive prekindergarten program on a district's primary grades. In general, these Prekindergarten programs operate on a part-day basis and offer comprehensive health, social services, parent involvement, staff development and a developmental program. A longitudinal study completed in 1980 and updated in 1985 showed that the Experimental Prekindergarten program had a general effect, not restricted to grade level, on the children's knowledge of verbal concepts. It also found that, when attention was given in the primary grades to providing continuity in the children's educational experiences, a number of the effects of the program, especially quantitative skills, persisted into the primary grades. The program has been most effective for children whose mothers had the least education and children who scored lowest on tests given to them at the beginning of prekindergarten. Finally, and perhaps most importantly, was the finding that children from the Prekindergarten program were more likely to make normal progress through the primary grades than were similar children who had not attended a preschool program.

Presently, there are 100 programs funded and 120 participating school districts, with five of these funded programs being run through BOCES centers. 12,500 children are currently receiving services. 80% of the children who participate in such programs are from families for whom there is documented evidence of at least one indicator of limited income as well as other indicators of special needs.

It gives me great pleasure to say that since 1984, with the support of the Assembly, the Legislature has more than tripled funding for this project. The 1989-90 State budget contains $38 million for the New York State Experimental Prekindergarten program. This appropriation reflects a $5 million increase from the previous program year of funding. I see this as a reflection of the Assembly's ongoing commitment to enhancing access to early childhood education programs for children in new York State.

I want to take a few minutes to focus on some of my own feelings about the benefits of early childhood education. As Chair of the Education Committee, my jurisdiction covers elementary and secondary education programs. Over the years, the Assembly has been successful in enacting legislation specifically aimed at reducing the dropout rate, expanding vocational education monies, providing basic skills training and a host of other worthwhile and needed measures that have been effective in targeting the special needs of the growing numbers of children at risk of educational failure.

However, as I have previously stated, I feel very strongly that preventive measures, such as early childhood education programs, which provide young children with successful patterns of learning behaviors, social and academic skills, are effective tools in our efforts to reduce the dropout rate, the prevalence of teenage pregnancy, and various other social ills which plague our kids in todays society. It has been my experience that children do not become troubled and delinquent students overnight. Instead it is a gradual process that is affected by many factors. If our children are given the proper parental and professional guidance as well as health and nutritional sustenance we can help to build the solid foundation they will need for academic success in the future. Early childhood education makes sense!

In March of this year, the Education Committee and the Task Force on Food Farm and Nutrition Policy held a hearing on school meal programs in New York State. This hearing reinforced for me, not only the importance of proper nutrition in the total development of a child, but the need to coordinate an array of educational, nutritional and support services to effectively address the total development of the "whole child." Clearly, support for early childhood education programs, which take the "whole child" into account are one way that we can help prepare our children for the future. We must recognise that the extent to which we are effectively able to coordinate these wide array of services will impact on the quality of our children's lives well into adulthood.

With all this said, I would like to add that I am honored to be here today to participate in what continues to be an ongoing discussion in New York State, namely the benefits of early childhood education programs for our children and families.

Representative SCHEUER. Thank you, Mr. Serrano. I have a whole host of questions that have bubbled up in my mind, but I'm going to wait until we have heard from Senator Stavisky, who is your predecessor as chairman of the assembly committee on education, and then Congressman Weiss and I will ask questions.

Leonard Stavisky, currently a member of the New York State Senate and former chairman of the New York State Assembly Committee on Education. We're delighted to have you here.

STATEMENT OF HON. LEONARD P. STAVISKY, NEW YORK STATE SENATOR

Mr. STAVISKY. Thank you very much.

For a number of years, I served not only as chairman of the Assembly Education Committee of New York, but also as chairman of the Education and Labor Committee of the National Conference of State Legislatures, so I had a chance to compare notes with lawmakers in other States and I truly welcome this opportunity to testify before you.

Head Start has grown beyond infancy. It has had 24 years of experience and in that quarter of a century, Head Start has demonstrated its value as a pioneering program in early child development. Education is a continuing life experience, and the sooner we start, the more productive will be the results.

Every study that your committee and we in the State government have looked at documents the fact that preschool programs have a positive effect on a child's readiness for formal education. With proper followup, this foundation is reflected in elementary school, high school, and college achievement.

There's a positive impact on a young person's preparedness for entry into and advancement in the job market. Ultimately, lives are enriched, society benefits and all levels of government—you in Washington, we in Albany, the mayor in the city government—share in the tax revenue that the increased earning power generates.

Conversely, for every dollar earmarked for preschool education, the American taxpayers ultimately see many more times as much money that would otherwise be spent on societal problems—illiteracy, truancy, delinquency, crime, substance abuse, teenage pregnancy, welfare, and unemployment.

A very significant study that I know has been researched, carefully analyzed by your subcommittee, the Perry preschool project demonstrated when comparing children who have gone through this program with those who had no preschool, that the ones with the preschool education had fewer years in special education. That very costly program that Mayor Koch was talking about.

The problem of dropouts that Jose Serrano has addressed so well on so many occasions. Those in the preschool programs were far less likely to drop out of high school. For those who attended the preschool programs, they were more likely to go onto college or participate in job training courses. They were less likely to be arrested and unemployment which is essentially your mission——

Representative SCHEUER. It's all in that chart.

Mr. **Stavisky**. More are employed if they have been in the preschool programs than if they have not been in the preschool programs and they are more likely at the age of 19 and beyond to be able to support themselves without having to rely upon support from government.

There were other studies—there was a study at the NYU School of Education examining the experiences of disadvantaged kids in Harlem. Came to exactly the same conclusion. State education department in New York has done essentially the same kind of studies with the prekindergarten program. And it means that this is an investment that pays off ultimately.

But in spite of its progress, Head Start needs a fresh start. It can't operate the same way it has been doing in spite of success. It needs a fresh start physically and I think it needs a fresh start in some respects programmatically.

Representative **Scheuer**. Give us some specifics on that.

Mr. **Stavisky**. Under the present level of support, 82 percent of all the children now eligible for Head Start in the United States, that's nearly a half million kids, are unable to be accommodated. These children are going to age out long before they are admitted from the waiting lists.

Representative **Scheuer**. Isn't that basically a fiscal problem?

Mr. **Stavisky**. Yes and we'll address that in a couple of minutes if you will bear with me.

Representative **Scheuer**. Congressman Weiss and I want to get to the questioning, so——

Mr. **Stavisky**. Inflation and an increase in the number of economically disadvantaged children has created unmanageable problems for the Head Start administrators. For there are too few dollars for too many children in too many parts of the country. In the next 5 years at least, $2 billion in new money is going to be needed if we're going to reach the minimal objective of accommodating at least one-half of the potential participants across the country.

Representative **Scheuer**. I think that's a pitiful goal. It's a shameful goal. We ought to be covering all of the kids at education risk and that would require an investment, not an expenditure, an investment of about $5 or $6 million and we should get on and make that investment.

Mr. **Stavisky**. I think that ought to be the goal, but I'm saying that new money—it cannot be funded at the rate that it has been funded. The failure to keep pace with demand is forcing women who might otherwise be employable to stay as captives of the welfare system. They have a choice, the Head Start programs that are operating are generally operating half a day.

So what do the women do with the children? Do they stay home and don't enter the job market? Do they leave the kids alone in empty apartments? Do they put them out on the streets or do they turn them over to unqualified persons who might in some cases be latent child abusers.

Representative **Scheuer**. We're very eager to get on with the questioning.

Mr. **Stavisky**. I am too.

Representative **Scheuer**. I wonder if you could finish up your testimony.

Mr. Stavisky. There are other issues that I think should be examined. Head Start fails to address the problem of turf wars. There are marvelous programs that are noneducational, that are social-service oriented and there are marvelous programs that are educationally oriented and one of the real problems that exists in this country, although we began to address it this year in New York State, is the fact that there are salary differentials between teachers who work for a Head Start center and those who work in day-care centers and those who work in kindergarten programs, prekindergarten programs with the result that in some centers where child care is not an educationally oriented program, the salary levels are so low that there is a turnover in some centers of as much as 40 percent of staff each year.

Representative **Scheuer.** Your full, prepared statement will be printed in the record. I may have omitted to mention that. Please terminate.

Mr. Stavisky. Let me summarize with a couple of experiences. I think that no matter where the program originates, that there has to be some interchange. There has to be some relationship.

One of your problems and one of the deficiencies in the Head Start Program is that there is no role whatsoever for Governors and State lawmakers in the Head Start Program. It's a Federal program that totally bypasses elected State policymakers. The Federal Government provides agreements with local agencies.

If we are to work together, that operation bypass should not have occurred in the first place and should not continue and I think it would make more sense if we were able to relate to each other, pool the resource so that if a program starts at the Federal level, that there is a role for the State, for the State elected policymakers whose resources can also be joined.

[The prepared statement of Mr. Stavisky follows:]

PREPARED STATEMENT OF HON. LEONARD P. STAVISKY

As former Chairman of the Education and Labor Committee of the National Conference of State Legislatures and prior Chairman of the Assembly Education Committee in New York State, I welcome this opportunity to testify this morning.

After twenty-four years of operation, Head Start has demonstrated its value as a pioneering program in early child development. Education is a continuing lifetime experience. The sooner we start, the more productive will be the results.

Every longtitudinal study documents the fact that preschool programs have a positive effect on a child's readiness for formal education. With proper follow-up, this foundation is reflected in elementary school, high school and college. There is a positive impact on a young person's preparedness for entry and advancement in the job market. Ultimately, lives are enriched, society benefits, and all levels of government share in the tax revenue that the increased earning power generates. Conversely, for every dollar earmarked for preschool education, the American taxpayers ultimately save five times as much money that would otherwise be spent on societal problems such as illiteracy, truancy, delinquency, crime, substance abuse, teenage pregancy, welfare and unemployment.

In spite of its success, Head Start needs a fresh start both fiscally and programatically. At the present level of support, 82% of all the children eligible for Head Start in the United States - nearly a half million - are unable to be accommodated. They will "age out" long before they are admitted from the waiting lists. During the decade of the 1980s, inflation and an increase in the number economically disadvantaged children of preschool age have created unanticipated and unmanageable problems for the administrators of Head Start programs. There are too few dollars, for too many children, in too many parts of the country. Over the next five years, this nation will need a $2 billion increase in Head Start appropriations if we are to reach the minimal goal of accommodating at least one half of the potential participants.

The failure to keep pace with demand is forcing women who might otherwise be employable to remain captives of the welfare system. In many urban centers, Head Start programs are open only half a day. Mothers have an untenable choice of staying home, leaving their children alone in empty apartments or on the streets, or entrusting them to unqualified persons who might be latent child abusers. Wherever possible, part-time centers must give way to full-time placement for these youngsters

Other issues should be examined. Head Start responds to the comprehensive needs of low-income, preschool children by focusing on various components such as early childhood education, social services, health care and nutrition. However, in some parts of the country, turf wars have arisen among professionals - the child care advocates and the proponents of preschool education. There are rivalries over who will get the jobs and through which funding mechanism the programs will be supported. In some states, the salaries paid to child care workers are far below the levels offered in school-based projects. In a report entitled Right From The Start (1988), the National Association of State Board of Education recently expressed concern over the fact that turnover rate at child care centers sometimes averages 40% a year .

Part of the problem stems from the fact that different programs originate with different levels of government. Head Start is a federal program that sends money directly to local agencies. This is part of a process that I have called Operation Bypass. Often laws enacted by the United States deliberately exclude state legislators and governors. Last year the federal government funded 1,291 Head Start projects serving 453,000 youngers nationwide. However, under the provisions of the statute enacted by Congress and signed into law by the President, elected state policymakers have been denied any role in the Head Start decision-making process.

As a result, there are inconsistent regulations and separate funding streams for federal and state programs that are often aimed at the same targeted populations. As early as 1967, New York State had already adopted legislation that provided day care for four year olds, 90% of whom were from disadvantaged backgrounds. In addition, New York State has had a long tradition of supporting prekindergarten programs that are operated by school districts. No other state in the nation comes even close to meeting this kind of commitment.

Let me put it into perspective by saying that the care of children from preschool years through elementary school and high school is a complex and costly enterprise. Federal aid to education has never exceeded 8% of the cost of educating a child between kindergarten and the 12th grade. At least 92% of the costs have always been borne by the states and local school districts. To emphasize the fact, I must tell you that New York State alone has generally provided more money in state aid for its 700 school districts than the United States government has appropriated in federal aid to all 50 states and 16,000 school districts. In terms of funding education, the United States government is definitely a junior partner.

But even in the targeted area of preschool programs for deprived children, which the United States Government has identified as a priority, New York State has not been absent from the scene. This year, our State Legislature has appropriated $82½ million of state money for day care centers and services for abused children. By comparison, the federal government's contributions to such programs in New York State is $56 million. In addition, the 1989-1990 State Budget contains $38½ million for prekindergarten programs in the schools. That's a total of $121 million in state funds for day care and prekindergarten activities in addition to the massive sum of $8 billion that New York State gives annually to its schools.

The cost of these essential services must be put in perspective. Although the state government is not involved, the federal government has never earmarked more that $91 million in appropriations to Head Start agencies in New York. Nationally, the 1989 funding level for Head Start was $1.2 billion. The 1990 request is for a $1.4 billion appropriation. There is a bill in Congress that would raise the authorization to $1.9 billion, but that is not necessarily what the final budget will appropriate. As I indicated previously, an additional $2 billion is urgently needed over the next five years.

These are other changes that I would recommend in a revised Head Start Act:

1. Similar, if not identical, federal, state and local programs should be coordinated There is no reason to bypass elected state policymakers. By recognizing initiatives that already exist in the states to serve the needs of preschools children and by increasing levels of federal funding above present levels, we could embark upon coordinated federal-state initiatives that would accommodate far more children than are presently served.

2. While we in New York State have already provided money in the budget to eliminate disparities between salaries paid to day care teachers and teachers who are employed by prekindergarten programs in the schools, other states have not done so. This accounts for much of the turnover, instability and rivalries that are undermining the delivery of services to children in some parts of the country. This problem needs to be addressed.

3. The federal formula for determining local need presently discriminates against New York. The Bureau of Labor Statistics has stopped collecting cost of living data which should be one of the components for devising federal aid formulas. While the family market basket is not identical with the cost of purchasing services by government or voluntary agencies, at least that would be an improvement over per capita personal income as an index of local fiscal capacity.

It does cost more money to live in, to work in and to provide services such as Head Start in a state such as New York than it does in other parts of the country. The United States Government needs new indices of need and wealth when adopting funding formulas. I would suggest that you look at the recommendations contained in our State Education Department's report on Federal Legislation and Education in New York State (1988) and by the United States Department of the Treasury's study of Federal-State-Local Fiscal Relations (1985). By relying on outdated formulas, the United States Government is making decisions in the dark that discriminate against hard-pressed urban states. We have significant concentrations of impovished, educationally disadvantaged, and limited English proficient children for whom preschool programs, if properly funded, offer an avenue of upward mobility and hope in a democratic society.

I urge you to respond to these concerns.

Representative **Scheuer**. Thank you very much for your testimony. I have a question that I'd like to ask both of you. You say there isn't enough of a role for State legislatures—both of you have been chairman of the State assembly committee on education. There isn't enough role for Governors.

I wonder why you're saying that. The State is in charge of education. Why doesn't the State step in and mandate that education of a young person in this State will start in the third year of life? That's what we're talking about.

Assemblyman Serrano mentioned that he thought that Head Start should be for everybody. I agree. I'm a product of the Head Start system, with an enriched preschool education experience. We didn't call it Head Start in 1923. We called it prenursery or prekindergarten. A rose by any other name would smell as sweet.

Why doesn't the State of New York through its education leadership in the State assembly or in the State senate simply declare that there is a mandated entitlement to education for every New York State child beginning in the third year? Nobody's stopping you from doing that.

We have wondered at the Federal level why the heck none of the States across the country, not 1 of the 50 States, has ever really looked at the message of Head Start which is to start education in the third year. Why don't you grasp the nettle and mandate that for New York State, the premier education State in our country, the State where all kinds of pioneering programs have taken place, for New York State, starting January 1, 1990, or 1991, there shall be a mandated entitlement on the part of every young child to an enriched preschool experience starting in his or her third year? What's to prevent you from doing that?

That's what the Congress hoped would happen—that we would prove on an experimental basis that this was a sound idea, a gem of an idea and the States around the country would pick it up and inject it into their education system. Why don't you want to do that?

Mr. **Stavisky**. That's what's wrong with the Federal approach in so many cases. You are responsible for paternity and then you abandon the children. Why don't you—let me finish.

Representative **Scheuer**. We are not telling you that you can't adopt this child. Grasp the nettle and start education in New York State in the third year. What's wrong with that?

Mr. **Stavisky**. Allow me to answer your question. In terms of education, the U.S. government at its peak has provided no more than 8 percent of the cost of educating a child while we at the State and local level, the State and local school districts have provided 92 percent of the cost of education. You're a very junior partner and I will urge you to become a more senior partner in terms of funding.

Do not leave 92 percent of the cost on the 16,000 school districts of the State and the 50 States and then back away. I must tell you by comparisons that New York State provides every year in State aid to education as much money as the U.S. Government provides in aid to elementary and secondary schools for the whole country and that ought to be put in prospective.

Representative **Scheuer**. For over 200 years we have had an education system that was a State responsibility. It was only in 1965, with the Elementary and Secondary Education Act, that I was very proud to participate in writing, that the Federal Government took a role of any kind in education. It's a State responsibility.

What I'm suggesting is that the States have not learned from this experimental program that Congress funded for the first time in 1965; they have not picked up the idea, they have not factored that marvelous idea into their own education systems and I wonder why and I wish they would get on with it.

I'd like to ask Assembly Serrano, chairman of our State education committee, why don't you work with Governor Cuomo and make education in the third year of life for every young person in the State an entitlement? Simply start education in the third year and not in the fifth year as we're doing now.

Mr. **Serrano**. There are different reasons why that hasn't happened yet. Some of them are just the fact that we have two different parties in control of two different houses and sometimes we don't agree on some things. That's an issue.

Second, a lot of the school districts throughout the State before we can get two words in on the conversation of mandating education at that age level, they immediately say don't mandate anything without at least giving us a third more on the dollars you're giving us now. The State now spends locally close to $9 billion in State aid to education. We've been increasing at the rate of $500, $600, $700 million per year.

This year with a budget crunch where a lot of people took cuts, the State increased school aid by $451 million.

One of the arguments is don't tell us at the local levels if you can't give us another couple of more billion dollars statewide.

There is also another discussion going on in some communities and that is a whole issue of day care versus school-based programs and how much money should be going to one and how much money should be going to the other.

After saying all that, the problem really is having not yet reached that point in negotiations where all the parties who would have to say let's do it feel comfortable with a mandate of that nature, both dollars, both clear of the school system by some people who would rather have their children in day care than in the school system and the whole idea of how much you mandate out of school districts.

Representative **Scheuer**. It's obvious that there are these impediments. There are these roadblocks. I think it's essential in the State that we solve these problems and remove these roadblocks. Fortunately we have a chap like yourself who, undoubtedly because of his Bronx origins and education, is capable of providing such outstanding leadership in solving that problem.

I'm very proud to have a man of your caliber as chairman of the assembly education committee, and we will be talking to Jim Murphy about how we get the corporation involved in a more useful and productive way. We will definitely involve you in those discussions.

I can think of no more essential person at the State level than yourself to take a leading role in this, and hopefully unblock some of those problems. I think we have to get people to stop being so stubborn. We must achieve a consensus that Head Start is a must, it must become a State and local responsibility.

The Federal Government is never going to take over a major role in education funding. Senator Stavisky is right. The Federal share of education funds has never been more than 8 percent and has very rarely been more than 7 percent. This is a State and local responsibility and we just have to knock some heads together and force a consensus so that we can get on with the job of extending education downward in New York State to include the third and the fourth years of life so that every young child has an equal chance of achieving success in the first years of their education lives. If we don't make that investment, we are going to pay heavily later on for education failure, for unemployment, for welfare, for the criminal justice system, for drug addition, for out-of-wedlock birth, and all of the horrible fallout of education failure.

It's a case of pay now or pay later and we should look at it now as invest now or pay later. I congratulate you for your leadership in solving these problems in education. I think we have to give you a little more support than we have now and I assure you we will be meeting with Chancellor Murphy and we will involve you in a very key role in those discussions.

Congressman Weiss.

Representative **Weiss**. By way of apology to the rest of this panel, I have to go onto the rest of the schedule that I've had before this hearing was scheduled, but just byway of commentary—I had occasion to serve on the House Education and Labor Committee for three terms. Currently I serve on the House Select Committee on Children, Youth and Families and I chair a subcommittee on the House Government Operations Committee which has oversight jurisdiction of all the Department of Education matters as well as intergovernmental matters.

In addition to the problems that I think you all acknowledge that we have with insufficiency of funding and the Federal Government's desire to follow the local and State recommendations to stay out of their curriculums because that has been a guiding light for us all along, it also is fair to say that as benign as to New York State Legislature may be toward its major cities and sometimes even that has been questioned by some.

There are other States of the 50 which are not benign to their urban areas and the reason that Head Start is operational, is not in an effort to insult Governors or State legislatures, but at the behest of local education establishments—there was a determination that we would not allow Federal funds to be distributed unfairly and on a discriminatory basis by having it pass the gauntlet of an unfriendly State legislature in so many other States.

I think that since everybody acknowledges that Head Start has worked so well, we really ought to get on with what one can do at all levels of government. Thank you very much.

Representative **Scheuer**. Thank you.

Mr. Campbell, with your indulgence, I'm going to ask you to wait a few minutes. We have Steve Berger, the executive director of the Port Authority of New York and New Jersey, and he has an urgent scheduling problem. If you'd be kind and gracious enough to permit us to put him on now, we'd be very grateful.

Steve Berger is executive director of the New York and New Jersey Port Authority, one of the largest business enterprises in the world. He's been an investment banker, he served in a number of government positions including chairman of the board of the Railway Association, member of the board of the New York City Metropolitan Transportation Authority, executive director of the Emergency Financial Control Board and last but very significantly he served as commissioner of the New York State Department of Social Services.

He is intimately aware of some of these agonizing problems that face New York State in the education of its citizens—problems afflicting the family, problems afflicting the child—and he comes with a renaissance length and breath of experience as a business leader, a government leader and we're delighted to have him here today.

Take such time as you may need and I'm sure we'll have some questions for you.

STATEMENT OF STEPHEN BERGER, EXECUTIVE DIRECTOR, PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Mr. **Berger**. Thank you. I'd like to thank Mr. Campbell for indulging my rather mad schedule and allowing me to appear before him.

When you asked me to come to talk, I thought for a while because after all I don't pretend to be an expert in the field of education. Nor do I totally understand or have I been involved in some of the educational debates over the last many generations.

But I thought it would be useful if I could just add a piece of prospective from the point of view of the port authority as a business enterprise, as an enterprise that's in the center of the economic vitality and health of the region, some of the problems we see both in terms of our own institution as well as in terms of the region as a whole.

I'm not sure that we in this region have yet come to understand what is happening in our labor market. In terms of what we have been calling the labor mismatch, and how that will effect the long-term health and vitality of the region and therefore how some of the programs you're talking about today really become essential to the long-term economic viability of this region.

The port authority has really never had trouble recruiting people to work for it. We are a sound organization, we provide interesting career opportunities both at the entry-level and middle-level jobs and by and large we have had the good fortune to be able to pick and choose for people, be they people entering as laborers, as electricians, as clerical people, and as professionals, with really very little difficulty for our history.

We found ourselves several years ago in the midst of intense recruiting and training of personnel before we could hire them. Like any large organization in this region, we found ourselves facing labor shortages, trained labor shortages at extremely intense levels and we, our tenants without whom neither this region nor the port authority could afford to be successful, whether it be airports, the seaport, in the buildings we operate—all of us find ourselves in an intense labor shortage situation.

If you look at the type of labor market in New York City and in the metropolitan region, what you see are some very dramatic numbers. The unemployment rate for the State of New Jersey is 3 percent, for the State of New York it's 4.3 percent.

These are counties in our region which have unemployment rates that you and I never dreamed of when we were talking about unemployment situations throughout our public careers. Westchester County is at 2.9 percent; suburban counties in New Jersey are at 2.5 percent.

What you're really talking about in terms of the available labor force is really no unemployment and that is beginning to show constraints on economic growth throughout the region. That's partly a product of the fact that this region has added almost a million and a half new jobs in the last 12 years.

The problem is at the same time that we have been adding these jobs, at the same time we have basically skimmed out of the labor force, many people who were not in the labor force before, both women and minorities, we now find ourselves in the interesting situation. Very low unemployment rates, even in our cities contraction of what that means in terms of all-term economic growth and at the same time, large numbers of people in our region who never entered the labor force. The dropouts from high school and that portion of society who really are not producers but who end up being dependent upon the production elements of the society.

I think that what's becoming clear now to everybody in this region, particularly those of us and it's not just public sector people—those of us who are really fixed asset players, whether they're large utilities, large companies which have to be in the region, the port authority, our airport tenants, our seaport tenants—people who are committed to this region is that the labor mismatch and the inability to hire people, the amount of dollars that are being spent in training and recruiting people, that those problems are the real constraints for the long-term economic health of this region.

Unless something is done about that, we will see continued shrinking regional economy, the reduction in opportunity and perpetuate what is now a separation between those who will participate in the work force who have an opportunity to earn and to produce and those people who are left out.

Our own experience in terms of reaching out to retrain or to train people in every part of the work force has been both rewarding and very painful and expensive. We have had success with training programs, with recruitment programs, with pretraining programs—we are working with a variety of private industry council groups to draw people into the work—the most interesting ceremony I've probably been at the port authority in the last 2 years was a ceremony in which we had a graduation class for the first graduating class of a prerecruitment panel.

We went out, we worked with local high schools, we had a first class of 27 young people, mostly in fact all minorities and women, a 20-week pretraining program, took the exams for entry into labor jobs of the port authority, 21 passed, they got three things—they got a certificate, they got a hammer with their name on it, and they got a job ticket, in which assigned them to a location.

We're going to have to do lots more of that. Obviously, and a lot of work that we did in that retraining program was the kind of work that we had historically come to take for granted that the schools would produce.

It is clear that programs that are preschool that are early programs, that are internship programs are very important. I think we're going to see a pattern emerge where we need a combination of more of those programs and more of an involvement of institutions like ourselves and in this case I talk about us as a large corporte entity, not so much as a public agency. Of interacting with the educational system much earlier on, which have begun to do now in both States. To begin to have the ability to train and bring people into the work force.

If you look at the future of this region and you look at the three basic areas which are crucial for our growth and our health, the transportation area, the housing area, and the education area—unless we work on all those three fronts, this region cannot grow and cannot create opportunities for people.

We are supportive of the program we're talking about and we are anxious to participate and help in any way we can and I thank you for the opportunity to be here.

Representative SCHEUER. Thank you, Mr. Berger. You spoke as the leader of a large business corporation. However, because of the personal characteristics that you bring to the job—your intellect, your compassion and also your very specific past training and past experience as commissioner of social services in New York—you bring a sensitivity and an awareness of the most sensitive kind of problems at the family level that most CEO's of major corporations do not begin to have.

Mr. BERGER. But I don't think that's going to be acceptable any longer because I think that a lot of CEO's for a lot of corporations are going to have to—are going to get sensitivity training very quickly and they're going to get it because they don't have a choice.

Representative SCHEUER. Or society doesn't have a choice.

Mr. BERGER. I totally agree with you. I think we've crossed the line where you have options of saying we'll go someplace else, do 20 more interviews—it's now clear and I think we've seen it in this region. I've seen lots of people who 5 years ago would have said that's their problem, the educational system, somebody else's problem who find when they really can't recruit and can't fill jobs and they're facing real productivity problems in their organizations. I understand that's no longer possible.

What we still don't have and part of it in this region is because we're so damn big, it is so hard to get a handle on what one should do if one wants to help the situation get any better. Our companies and our corporations are themselves so enormously large and the information flow from the personnel director who's having an impossible time recruiting to the CEO who might reach out to Congressmen, to mayors, to other CEO's, sometimes that information flow breaks down.

The fact of the matter is that I think more people in the business world today understand and would like to be part of the solution as opposed to the problem. I don't think they know how and I'm not sure any of us really know how to do it. A lot of us are doing things on our own and trying to share information, but I think there is a growing common recognition that it is a common problem.

Representative **Scheuer**. I wish we could clone you and make you into CEO of the 300 or 400 of the Fortune 500 corporations that are based in New York City.

Mr. **Berger**. If they'll pay, I'll be glad to try.

Representative **Scheuer**. I welcome this increasing awareness that if we don't hang together we will most assuredly hang separately. As some great American said a couple of hundred years ago the corporations have an obligation and an opportunity to be part of the solution and not just part of the problem.

You heard me say that I was going to ask Jim Murphy, the chancellor of CUNY, to get together the business leadership of this community to see how they can participate. I would very much hope that you can join that and take a leading role with Chancellor Murphy in involving and immobilizing corporate leadership in this city.

I am very grateful to you for coming here today. Your testimony was predictably outstanding and thoughtful and stimulating and we're grateful to you for taking time out of your schedule. Thank you very much.

Bob Campbell, why don't you move up here to center stage. I want to thank you for your kindness and patience and waiting for this time before giving you center stage.

We're delighted to have you. Your testimony really is what this whole hearing is about—what Head Start can do for a young person, how the Head Start Program can project a person into education success, career success, and success in life.

You are a former Head Start student. You then attended Queens College. Then you attended the University of Abidjan in West Africa and then you graduated from Queens College. You were formerly an analyst with the Global Securities Division of the Chase Manhattan Bank and I wish you would tell us what your current occupation is and tell us as you look back on your Head Start exprience what it has meant to you and what it could mean to thousands and thousands of other young New York City kids.

STATEMENT OF ROBERT A. CAMPBELL, DEPUTY DIRECTOR, AFRICAN AND CARIBBEAN OVERSEAS PROGRAM, OPERATION CROSSROADS AFRICA, INC.

Mr. **Campbell**. I'd be glad to. First I'd like to thank you for inviting me to attend. It's something I very much believe in and Head Start is quite a large part of me and my family.

As a result of my involvement in Head Start, and my two brothers' involvement in Head Start, my mother who is here now, my parents are out in the audience, have taken a very active role in Head Start. My mother is a director of a number—I forget how many—Head Start agencies.

Representative **Scheuer**. She's in the audience?

Mr. **Campbell**. Yes.

Representative **Scheuer**. Mother Campbell, I want to break in and interrupt your son for just a moment to tell you how grateful we are for your leadership efforts in helping to produce such an outstanding American, such a tremendous contributor to our society. We congratulate you and thank you for having energized Bob at a very young age to exercise his maximum potential, to liberate him, to achieve the full measure of his talents.

You have done this for Bob and apparently you're doing it for a lot of other kids and I can't imagine a more productive and more rewarding career for both you and society as the marvelous contribution you've been making over the past several decades.

Will Mother Campbell stand up so we can all see her? You are truly an enormous contributor to our society and words cannot express my pleasure in having you here today and my deep gratitude for the wonderful leadership role.

Please proceed with your testimony.

Mr. **Campbell**. I'm the deputy director of what's called the African and Caribbean Overseas Program and that's with an organization called Operation Crossroads Africa.

What we do are development projects in Africa and the Caribbean of a technical and nontechnical nature in education, agriculture, and appropriate technology. Professional exchange to and from the United States with Americans, American students, and American volunteers.

That takes me out of the country quite often, more than I would like, but it's so positive for me and I think in terms of education, it allows me to make a positive impact on young American volunteers who participate in our programs throughout the Caribbean and throughout Africa.

That's pretty much it in addition to what Congressman Scheuer said about my professional, academic background.

In terms of the Head Start Program and its impact on my education——

Representative **Scheuer**. Really on your life.

Mr. **Campbell**. I attribute a lot of my success and I'd like to think that I'm being successful at this point—I attribute a lot of that to a lot of nurturing foundation that was laid early in life by the Head Start Program and by my parents who took an active role in that process.

By something else that was initiated at the Head Start Program—awakening a lot of curiosities and interests in different things in me. Awakening what I would consider an adaptability at the age of 3, 4, and 5 to the social and psychological environment that I would find myself in later years. In early years of public school, kindergarten, first and second grade, and so forth.

I've had the opportunity to speak at public and private high schools throughout the country, some of them more exclusive boarding schools. Connecticut, Boston, and California. They really reveal to me that there are inequities in the education system or in the investment that's made with young people and I think that's to a large extent a function of a consciousness in a parent, a consciousness in that parent's parent or in that environment and that is some of what Head Start provides in a big way.

In addition to child development, Head Start provides a forum for parents to become involved and parents to become conscious of issues related to education, health, safety of your children and to the futures of their children and what they should as parents be concentrating on in their homes.

I need to be brief because I have to make a meeting at about 12:30. I'd like to add that in terms of the Head Start Program, I think it's important that we are producing people that are competent and that the statistics speak for themselves and I was very impressed to see them.

We are producing competent people. I think it's something the Head Start alumni from my 3 years there—two particular that I have remained remotely in contact with, one of them is now in medical school or just finished medical school. Another one is an independent entrepreneur in graphic arts. Extremely successful.

We are competent and Head Start produces competent people. I think in terms of the peers that people of my generation and the past generation and future generation who will participate in Head Start will have to encounter in the workplace and it will be important for Head Start to produce people that will be competitive in addition to competent.

I think one should be congratulated for reaching a level in a vocation or in a specific job opportunity where one is being a productive element of society. I think that it is important to be competitive and to strive for higher things. A higher education for me at the point—I'd also like to mention I attended Stuyvesant High School here in New York City which I think is one of the better schools in terms of academics.

It's important for young people to be competitive and to realize that and to be aware of that.

I'd like to applaud Congressman Scheuer for your efforts and your progressive stands and your progressive vision in terms of Head Start, increasing the Federal, State, local, and private sector involvement. I think that's going to be key for young people in terms of a program such as this.

As someone working in the international field, I'd also agree with State Assemblyman Serrano, the language of culture considerations must be taken into account very heavily when dealing with people from different backgrounds and from different orientations.

I'd also like as a constituent to voice my support of your petition for additional funding for the Head Start Program and the Head Start process.

Thank you for the opportunity to address you on this.

[The prepared statement of Mr. Campbell follows:]

PREPARED STATEMENT OF ROBERT A. CAMPBELL

Thank you for the opportunity to express my opinions and support for the Head Start Program.

Being an alumnus of the Head Start Program (The Queens College Children's and Parents Center), and now the son of an administrative director of a number of head start centers, I feel compelled to voice my support of the program, its objectives, and most importantly, its accomplishments.

I'd like first to say a couple of words about my background. At present, I'm the Deputy Director of the Africa and Caribbean Overseas Program of Operation Crossroads Africa, Inc., a non-profit specializing in international development and intercultural exchange between north Americans and the peoples of Africa and the Caribbean. It's an exciting position, allowing me to utilize many skills and to pursue many interests that I've cultivated over the years. Before this, I was an analyst with the Chase Manhattan Bank's Global Securities Division, in New York. I'm proud to say that I'm a complete product of the New York City Educational system, graduating from Stuyvesant High School and Queens College. My undergraduate education included a year at the University of Abidjan in Cote d'Ivoire, West Africa.

The head start program played an important role in laying the foundation for the development process in me personally, not only inciting curiosities, but also responding to them--inspiring me to move ahead, to express myself in different ways, learning to adapt and excel in a social and psychological environment which is the basis for institutional learning and interaction in this country. Additionally, and of equal importance, the head start program takes an active role in parent education and involvement, following up on nutritional, educational, and medical inroads that are made with youngsters (as was I), to ensure that the education and enrichment process continues after the end of the school day. Parents also were involved in parts of the decision and policymaking process regarding the direction of the school, social and cultural events, sharing information, and in some cases (like my own) parents were inspired to undertake academic pursuits, culminating in their obtaining positions within the staff.

I do not hold the opinion that the Head Start program is the answer to the decline of morals and respect for institutions that is becoming more prevalent among our youth in our society, but would proposed that it does make a difference. Unfortunately, I am unaware of the statistics on this, but am certain that the evidence is clear on this fact. The Head Start Program makes a difference for young people, their parents, and ultimately, for all Americans.

Looking back, and looking forward, I fully support the Head

Start effort, and fully support its growth and further refinement so that more may benefit.

Finally, in general, I must admit that I have fallen out of touch with most of my fellow alumni from the mid 1960s, but know that two of them are doing well in their lives, both personally, professionally, and quite frankly, financially. Like myself, they're from South Jamaica, in Queens, New York, products of the public school system, and one is an independent graphic artist and has done quite a bit of artwork for nationally famous entertainers as well as having recently opened his own store in Roosevelt Field Shopping Mall in Long Island, and the other has just completed medical school, and is entering the beginning of her residency.

Thank you, once again, for the opportunity to express my opinion on a matter of grave importance to all peopole, but of utmost importance to tomorrows leaders.

Representative **Scheuer**. Thank you very much for your testimony. The total body of your comments speaks better than anything else we've heard this morning about the benefits and value of this marvelous program.

We never dreamed 24 years ago when we started this program that it would have the exceptional record of success that it has. And that it would not only produce the Robert Campbells, but it would produce the Mama Campbells, too, and that it would be a powerful force in energizing parents to get on with getting their high school diplomas and so forth. That we never anticipated.

Mr. **Campbell**. And college degrees for the parents.

Representative **Scheuer**. Yes. It's been very inspiring to hear you and we congratulate you and we look forward to following your career with the greatest of interest.

Thank you very much for testifying before us today.

I'd like to ask the members of the next panel to come to the witness table. Mr. Urie Bronfenbrenner, professor, Department of Human Development and Family Studies at Cornell; Mr. Frank Doyle, senior vice president of corporate relations at General Electric Co.; and Ms. Ellen Galinsky, project director of work and family studies at the Bank Street College.

Mr. Bronfenbrenner is professor of human development and family studies and psychology at Cornell University. He was a member of the committee that initially planned and developed the concept of the Head Start Program in 1964 and I remember him testifying before the House Education and Labor Committee in 1965 in my freshman year in Congress. There is no single act of which I am more proud than my involvement in drafting title I of the Elementary and Secondary Education Act with that noble component of the Head Start Program which has played such a marvelous role.

Mr. Bronfenbrenner is widely recognized for his outstanding contributions to the understanding of children and families. He has conducted extensive research of children, families, and schools in different countries including the Soviet Union, Japan, Western Europe, and China. He has been elected twice as president of the Division of Developmental Psychology of the American Psychological Association for which he received their highest scientific award.

Mr. Bronfenbrenner, we're delighted to have you here today. Please take whatever time you feel is necessary and give us your views and then after we've heard from the rest of the panel, I'm sure we'll have some questions for you. Your prepared statement will be printed in full in the record so you'll feel free to chat with us informally.

STATEMENT OF URIE BRONFENBRENNER, PROFESSOR, DEPARTMENT OF HUMAN DEVELOPMENT AND FAMILY STUDIES, CORNELL UNIVERSITY

Mr. **Bronfenbrenner**. I wish first to express my deep appreciation to you, and the members of the Joint Economic Committee for bringing to the attention of the Congress and the American people the vital link between the well-being of children and the economic and social and I would add moral well-being of our country.

The awesome threat posed to our national competence by what your subcommittee has titled "The Education Deficit" and I'd like to state for the record I regard this publication as one of the most important and well done that I have seen addressing an absolutely critical and what is perhaps our greatest domestic and thereby international problem.

Representative **Scheuer**. The problem of a country that has not yet learned how to produce an educated, talented, skilled, and competitive work force.

Mr. **Bronfenbrenner**. And committed. And not only work force, but leadership.

This education deficit does indeed have its roots in the period of early childhood and it is indeed also there that we have our best chance to eliminate the deficit most quickly. But it is not only the competence of the next generation that is at stake, it is also the character.

That next generation is in danger of being cheated out of their opportunity to realize competence and character, cheated by our failure to act.

You have heard the phrase age out. It is possible at any age to recover in this species competence and character, but it's much more difficult and much more expensive.

You spoke of my involvement in the original creation of Head Start. My focus today, as it was then, is not on problems but solutions and I begin by concurring with the views of the essentiality of early childhood programs.

You may have noticed that just now I omitted the term "education." A term that has been pointedly included in the title and substance of these hearings. I make the omission deliberately for two reasons—first, somewhat perversely, to call attention to its critical importance; and second, even more perversely, to call attention to its potential dangers.

Let me say education is essential, but education is not enough. You mentioned that the Campbell family represents the highest and most noble outcome. What you have also heard is that it talks about, they spoke to what that process is that Head Start is, and you spoke of Mother Campbell. We overlook that Father Campbell sits there too.

Representative **Scheuer**. I regret I overlooked him. I wasn't told that he was in the room. Father Campbell has played an equally key role with Mother Campbell.

Mr. **Bronfenbrenner**. And that is part of the story. The question is what are the features that make the difference. Head Start and similar efforts achieve their constructive effects in two ways—first, they do so directly, by providing children with certain kinds of experience that foster their psychological growth. But there is a second, indirect effect that is equally if not more powerful. Programs like Head Start also succeed because they make it possible for families to function, to work the magic that only families can perform, making and keeping human beings human.

I can imagine the question you are asking in your mind and it is indeed the key question both for science and for policy, what do we mean, what are we going to mean by family.

I can answer for science. A family is whoever is there for the child and committed to its well-being for life. That's the family. We have to remember that.

In sum, the main reason our nation needs quality child care and education programs is to save our families. And to enable them to create competence and character.

How do families accomplish that? They accomplish it by providing children with the same kinds of experiences that are found in effective preschool programs like Head Start but in a somewhat different balance.

Let me describe those elements. I do so at the risk of my reputation as a scientist, for given the unavoidable limitations of time, I shall try to condense in a single statement the hard-won efforts of my colleagues in recent years that have revealed these processes that lay out the essential groundwork for children's development. Moreover, and this from my profession is the biggest betrayal of all, I will try to do so in plain English.

Item No. 1—somebody has to be crazy about that kid. But love is not enough. One also has to be doing something, and doing it on a fairly regular basis, not just now and then. I'm talking about the elements of essentiality in families which most families know and about the essential elements in Head Start Programs which most Head Start Programs know.

It can't be the same old thing every time. There has to be challenge as well as support. There has to be opportunity for becoming engaged in more complex kinds of things. It's not only love. It's also an experience for parents and children and those engaged in which all of them grow and become more effective and more noble human beings.

What can be done to ensure that these elements are present, not only in preschool programs, but in the families they serve? Here we come to that second goal that Head Start that is key to what it has accomplished.

The research evidence reveals that the long-term success of Head Start and similar programs is attributable not only to the special nature of their educational components, but equally to processes of mutual support, exchange of information, cooperation, and trust between the preschool center and four other contexts critical for children's well-being and development: First, families that I mentioned, but also health and social services. If you look at the record, they have done as much and even more for the success of Head Start.

Second, the schools. Head Start works with schools to make that transition possible. You can't just sort of inoculate and then let it all take care of itself and if we could bring in schools—we wanted to make schools more humane, more challenging, more sensitive to the cultural diversity and strength that we have in our nation.

Our schools have sort of said what we're doing to the majority is what's right for everybody.

Representative SCHEUER. Let me interrupt—we've had 24 years of experience with Head Start. It has been almost a flawless program. It had unbelievable impacts on kids, has projected them into education success whereas without this help it's perfectly clear from the statistics that they were largely doomed to education failure. Two-thirds of the kids at education risk who don't get Head Start end up as school dropouts.

Why is it looking at the marvelous success of the Head Start Program over two and one-half decades, that school systems across the country, not only New York, but in the other 49 States too, why haven't they gotten the message? Why haven't they looked at this marvelous record of productivity, this sensitive and thoughtful program that has energized people, liberated talents, why haven't they looked at it and said maybe we ought to extend the education system 2 years down and start compulsory, free enriched education at age 3?

Mr. **Bronfenbrenner**. I'm very happy that you raised that point. I don't need to remind you that built into the original Head Start blueprint was the concept of Follow Through.

Representative **Scheuer**. We had a program called Follow Through.

Mr. **Bronfenbrenner**. We no longer have program Follow Through. I want to say to you that a number of the essential elements of Head Start are victims of fiscal insufficiency, but failure to understand what are the essential elements.

Follow Through was an essential element. Here's how many failed without Head Start and then there's another figure that says how many failed with Head Start and it's as high as 30, 35 percent. We can't afford that. That's with Head Start.

There's a paradox here. In recent years, there has been growing and justifiable public concern with the incidence of child abuse and neglect, perhaps most tragically by parents, caregivers, and teachers who are guilty of abuse and neglect.

But our understandable preoccupation with this concern overlooks the fact that the overwhelming majority of parents, caregivers, and teachers are deeply committed to their children, and they are doing everything in their knowledge and power, and often beyond these to the point of exhaustion, in order to provide the experiences, the love and the discipline that they believe are needed. But often they do not have the knowledge, the information hasn't been conveyed and they therefore lack the power to make the difference.

They do things in the commitment and belief that it will make the difference but they're putting their efforts in places where they don't get the payoff.

Representative **Scheuer**. You're speaking of parents?

Mr. **Bronfenbrenner**. I'm speaking of parents and of teachers and of caregivers. And of some Head Start centers. Why?

One of the most essential and effective features of Head Start for many years were training institutes conducted regularly on a regional basis for representatives of all centers in the region, including parents.

The purpose was twofold, first to ensure the staff and I realize time is going here. To ensure that the staff were familiar with the basic elements that I've been discussing and we're provided with the latest information from research and professional experience that they could draw on in their work.

But equally important to enable and encourage the participants in those institutes to pass on the information back to parents, back to local schools, back to their communities so there would be an education of the public and its institutions about what was needed by children.

That's gone. Those institutes no longer exist. Training is left to each center to do as best it can.

Another key element——

Representative **Scheuer**. Are you saying that we ought to include a specific requirement for training parents and teachers?

Mr. **Bronfenbrenner**. Of what Head Start is about, so they know what was that idea that's now 24 years old that works so well. Just calling it Head Start doesn't make it Head Start.

There are those who are carrying out the tradition magnificently, but increasingly and with some justice, we are tending to give priority to new programs rather than old programs and we're throwing away those who know what it is and can mentor the next generation.

Another key element of the Head Start Program, growing body of evidence indicates from research over the past 10 years, the importance of fathers from the earliest years onward. Fathers account for more of the variation in competence in character in kids even than mothers do.

There's a simple reason for that—fathers vary more. Most mothers know and hang in. Some fathers do and some don't. They don't realize that he does it. The family is quite an invention. It takes three to tango. It doesn't have to be father, but you have to be somebody else—you can't do it alone, even if you're this extrordinary person that mothers are.

Representative **Scheuer**. You're suggesting that single-parent families are on the horns of a real dilemma.

Mr. **Bronfenbrenner**. Yes, but there's a way to beat that. I talk about the importance of third parties. Head Start is that third party. That enables those who have the day-to-day care feel that somebody counts.

How can males be reached? We need as children, girls as well as boys, to understand what the human race is about. How can fathers be reached? The majority of them can be found at the workplace, where most of the mothers are too these days. And it's important that they be there, not only to our economy but also to the health of our society because mothers understand awareness of some hard realities that we overlook. They're more hardheaded than we are about what it will take for us to be able to continue to be a healthy nation.

Recent studies indicate that one of the principal destructive forces in the lives of American families and children second only to the impact of poverty and unemployment is the hecticness and frustration of contemporary American life. Much of that hecticness and frustration is produced by the conflict between the demands of family and work on the part of breadwinners who are committed to both.

Taken together, these considerations argue strongly for the extension of certain elements of the Head Start Program into the workplace itself.

I refer not only to the introduction of the onsite centers, although that would be fully consistent, it's the other elements of the program that are even more relevant. To reduce that conflict, to make the workplace a place where your identity as a parent is recognized as important, even if it's only symbolically but that isn't enough and part of my prepared statement tells about what can be done in that connection.

I shall skip it but I will mention that one of the most important things is to provide enough flexibility in that situation so that you can be a parent and a committed productive worker as well and when those two work together, it sure does help productivity and creativity on the job. We need that.

What is the role of legislation in such an endeavor? It is patently unrealistic and unfair and impossible to expect employers, especially those who are owners of small businesses, to underwrite the full cost of these endeavors.

Representative **Scheuer**. I don't think anybody's ever suggested that.

Mr. **Bronfenbrenner**. We've operated as if you have to leave it to the private sector to do it.

Representative **Scheuer**. Tell us what the formula should be for involving the corporate sector.

Mr. **Bronfenbrenner**. It seems a prudent investment given the education deficit and I will say now the moral deficit that we are experiencing as a nation and I needn't remind us of where that moral deficit has begun to appear in our country.

Given that, it seems a prudent investment to provide incentives for such extensions of childhood programs through such mechanisms as matching funds, tax incentives, or the ingenious and carefully worked out proposal presented in testimony to this committee I believe by Jule Sugarman, who was the administrative genius who turned the Head Start dream into an effective American reality.

Representative **Scheuer**. What specific recommendation of Jule Sugarman are you referring to?

Mr. **Bronfenbrenner**. His recommendation—I believe he calls it the children's fund, which is a kind of an insurance scheme. You have the material.

Representative **Scheuer**. He testified a few months ago before our committee.

Mr. **Bronfenbrenner**. I'm trying to abide by your own instruction that we cut our time.

My closing statement—today we are depriving millions of the Nation's children and thereby our country, not only of their birthright to competence but their birthright to character and we see the cost on our streets and we see the cost in the highest places of the land.

I speak of such old-fashioned virtues as honesty, responsibility, integrity, and compassion. If we lost those, then our nation's future is indeed at risk.

I'm speaking here not only of children in poverty, but increasingly of children who are the victims of chaos, emptiness and the absence of guidance, challenge and support in their everyday lives. We must continue to study and understand that, but if we continue only to study the problem, and not to act, we do so at our national peril.

I want to make clear that if the recommendations that I'm making here are implemented, it will involve greater expense than we have been providing up to now and to that acknowledgement I add—what is at stake is nothing less than the competence, quality, and the moral character of the next generation of Americans. How much is that worth to us?

[The prepared statement of Mr. Bronfenbrenner follows:]

PREPARED STATEMENT OF URIE BRONFENBRENNER

Mr. Chairman, I wish first to express my deep appreciation to you, and the members of the Joint Committee for bringing to the attention of the Congress and the American people the vital link between the well-being of children and the economic and social well-being of our country.

As a developmental researcher who also works at the interface science and public policy, that link has been a long-time concern. A decade and a half ago, it was my privilege to serve on the committee that designed the Head Start Program. Our task was to bring to bear the then-existing knowledge about child development in proposing practical policies and programs that would relieve the desperate state of millions of the Nation's children at that time. Head Start was the product of that effort.

Today, we know a good deal more about the conditions and processes that are essential for enabling and enhancing children's development. But, as the Members of this Committee know all to well, the state of America's children is perhaps even more serious now then it was then. What makes this situation even more tragic is that, in between, there had been some significant improvements, but beginning in the early 1980s, there was a turnabout, with destructive trends returning almost to the critical level of the early 1960s.

But my focus today, as it was then, is not on problems but on solutions. I begin by concurring with the view already ably presented in these hearings, that among these solutions the extended provision of early childhood programs is essential. You may have noticed, however, that I have omitted from this statement the word "education," a word that has been pointedly included in the title and substance of these hearings. I make the omission equally pointedly for two reasons - first, somewhat perversely, to call attention to its critical importance; second, even more perversely, to call attention to its potential dangers.

Let me explain. I am sure that you are familiar with the research evidence showing that programs like Head Start, which of course include a strong educational component, increase the child's chances for progressing through school and, ultimately, becoming a productive member of society. But not just any educational component can do the job. Some can be quite ineffective, and others can even do damage. In a moment, is shall summarize what is known about the features that make the difference. But first I wish to identify a second, even more critical issue.

Mr. Chairman, Head Start and similar efforts achieve their constructive effects in two ways. First,they do so directly, by providing children with certain kinds of experience that foster their psychological growth. But there is a second, indirect effect that is equally if not more powerful. Programs like Head Start also succeed because they enable families to function - to work the magic feat that, in the last analysis, only families can perform - building the essential base for the development of human competence and character. Among the conclusions that the research of the past decade has established beyond much doubt, has so to speak brought home, is the following: The family is the most powerful, the most humane, and by far the most economical system known for making and keeping human beings human.

How do families accomplish this achievement? By providing children with the same kinds of experiences that are found in effective preschool programs like Head Start, but in a somewhat different balance. I shall now describe the nature of these experiences, and the processes involved. I shall do so at the risk of dismaying my scientific colleagues. For, given the unavoidable limitations of time, I shall try to condense in a single statement what their hard-won efforts in recent years have revealed about the processes that lay the essential groundwork for children's further development. Moreover, and this for my profession is the biggest betrayal of all, I shall try to do so in plain English.

> Proposition I. In order for a child to develop intellectually, emotionally, socially, and morally - all of these - requires: participation in progressively more complex, joint activities, on a regular basis, with one or more persons, with whom the child develops an irrational emotional tie.

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In short, somebody's got to be crazy about that kid. But love is not enough. One also has to be doing something, and doing it on a fairly regular basis. And it can't be the same old thing every time. There has to be challenge as well as support. finally, the equally essential irrational tie is not just something that's all there to start with; it's something that grows as you do things together

Mr Chairman, if the Committee is willing to define early childhood education in these terms, then we are in agreement; otherwise not. What I am saying is that these are the elements that must also be present, in a somewhat different way, in any preschool program if it is to be effective. It is not enough, although it is essential, that children be well cared for, that they be happy, and feel loved. But it is also essential that they have opportunities and incentives to participate in progressively more complex activities that have some continuity over time, and are responsive to their growing capacities, interests, and needs for guidance, structure, challenge, and support. These are the roads to the development of competence, creativity, and responsible initiative. Programs that lack one or more of these elements, and many now do, will not do the job, and will, to that degree, deprive our children, and our nation, of realizing its full potential.

What can be done to insure that these elements are present, not only in preschool programs, but in the families they serve?

Here we come back to the second goal that programs like Head Start can achieve. The research evidence reveals that the long-term success of Head Start and similar programs is attributable not only to the special nature of their educational components, but equally to processes of mutual support, exchange of information, cooperation, and trust between the preschool center and four other contexts critical for children's well-being and development: first and foremost their families, but also health and social services, the schools, and, last but far from least-the parent's world of work.

The importance of these linkages lies in the fact that they can be mobilized to reinforce each other thus enabling both families and preschool settings to set in motion and sustain the processes that are essential to children's development.

There is a paradox here. In recent years, there has been growing and justifiable public concern with the incidence of child abuse and neglect, perhaps most tragically by parents, caregivers, teachers and others bearing primary responsibility for the children's care and education. But our understandable preoccupation with this concern overlooks the fact that the overwhelming majority of parents, caregivers, and teachers are deeply committed to their children, and they are doing everything in their knowledge and power, and often beyond these to the point of exhaustion, in order to provide the experiences, the love, and the discipline that they believe are needed. But often they do not have the knowledge, and therefore lack the power to make a difference. For example, they may not always know about the key processes I have summarized. The research data reveals that, in homes and other care settings across the land, parents, caregivers, and teachers - out of love and commitment to their children - may grant freedom without structure, challenge without support, discipline without opportunity, affection without activity, and chaos without consistency.

What has all this to do with legislative action? More than might first appear. Time permits offering only a few examples. For instance, one of the essential and most effective features of the Head Start program involved institutes conducted regularly on a regional basis for representatives (including some parents) of all centers in the region. The purpose was to two-fold, first to insure that staff were familiar with the basic aims and elements of the program and provided with the latest information from research and professional experience that they could draw upon in their work; second - and equally important- to enable and encourage the participants to pass on this information to the parents of all children in the program. Because of financial constraints, such regional institutes have been eliminated, and each center is encouraged to do its training on its own.

Another key element of the Head Start program has been implementable only on a limited scale. Another set of findings emerging from the research literature of the past ten years is the importance of fathers, from the earliest years onward, to the

development of children's competence and character. Indeed, these findings may be summarized by the statement that fathers account for more of the variation in children's abilities and behavior than mothers do. The reason, simply stated, is that fathers vary more; some realize their importance to their children others do not. How can fathers be reached? The majority of them can be found at the workplace, where most of the nation's mothers are to be found as well. Moreover, recent studies reveal that one of the principal destructive forces in in the lives of American families and their children, second only to the numbing impact of poverty and unemployment , is the the hecticness and frustration of contemporary family life. Much of ths hecticness and frustration, the evidence indicates, produced by the conflict between the demands of family and work.
Taken together, these considerations argue strongly for the extension of certain elements of the Head Start program into the workplace itself.

I refer not to the introduction of on-site centers, although this would be fully consistent with the Head Start orientation. It is the other elements of the program that are more relevant here. Specifically, in recent years I have been advocating the designation in every employment setting of at least one person, or in a larger establishment, a small office, designated as a Family Resources Consultant or Center, that serves four functions:

- making available existing information relating to child development, parenthood, and other resources contributing to the stability and quality of family life, including programs of child care and education.

- providing a referral service to local agencies and programs of assistance to children and families.

- stimulating and organizing opportunities for the families of employees to get together to discuss topics of common interest and concern

- serving as a focal point for discussion between management and employees regarding the need and feasibility of changes in policy and practice in the job setting that might relieve family stress and enhance the role and status of parenthood and family involvement in the personal lives of both management and employees.

Again, what is the role of legislation in such an endeavor? It is patently unrealistic and unfair to expect employers, especially those who are owners of small businesses, to underwrite the full cost of such endeavors. Given the economic and social costs of perpetuating the growing "education deficit," it seems a prudent investment to provide incentives for such extensions of childhood programs through such mechanisms as matching funds, tax incentives, or the ingenious and carefully worked out proposal presented in testimony to this Committee by Jule Sugarman, the administrative genius who turned the Head Start dream into an effective American reality.

I conclude, Mr. Chairman, with the acknowledgment that inclusion in early childhood programs of the key elements outlined in my testimony will require substantially greater sums than are presently being expended. To that acknowledgment, I will add only this: What is at stake is nothing less than the competence, quality, and moral character of the next generation of Americans. How much is that worth to us?

Representative SCHEUER. Thank you.

Ellen Galinsky is on the faculty of the Bank Street College where most of my four kids received their enriched preschool education experience so I'm very grateful to you for that.

In July of this year she will be a cofounder of a new nonprofit organization, the Families and Work Institute designed to be a national clearinghouse on work and family life. She's president of the National Association for the Education of Young Children which is the largest professional organization for early childhood educators with 68,000 members.

She also serves on the boards of the Child Care Action Campaign, the Child Care Employee Project, and the Rockland Council for Young Children.

We're delighted to have you here Ms. Galinsky. We have to be out of here in 15 minutes so I'm going to ask you and Frank Doyle to use the rest of the time. About 7 or 8 minutes apiece.

STATEMENT OF ELLEN GALINSKY, PROJECT DIRECTOR, WORK AND FAMILY STUDIES, BANK STREET COLLEGE

Ms. GALINSKY. I think there's no question from what we've been hearing this morning and from what's happening in the world that we are going to have to make a change in terms of children's programs.

I think there are three reasons. The first is the changing demographics of the workplace. The second is the fact that the problems that parents are facing in managing their work and family life, are not only causing them stress which affect their family but are also affecting their productivity.

The research that I and my colleagues at Bank Street have been doing for 10 years have shown that if you have trouble finding early childhood arrangements, child care or if those arrangements break down, you're more likely to come to work late, to leave early, to miss work altogether, to be unable to concentrate on your job, to have higher stress and higher stress related health problems.

The third reason that I believe we're going to concentrate on early childhood programs and that we are going to see action and an investment in this is the labor shortages of which the CEO of the port authority spoke. I think we are no longer going to be able to afford to throw away one-half or one-fourth of our young people.

In this period in which we are going to see more activity and certainly represented by the 200 bills in Congress last year, I have about 10 concerns. Since I've written my prepared statement about the ingredients that make early childhood programs cost effective and since Mr. Bronfenbrenner spoke of those, I think I'd like to concentrate on the concerns.

The first concern that I have is that we are assuming that this is a zero-sum game; that is, we're looking at the cost of early childhood programs as if we're not spending anything now and as if what we're spending is not cost effective.

Let me give you three examples from research that show that in fact what we are doing now is going to cost us a great deal later. You talked about investing now or paying more later and I think that's absolutely true.

This first is that—the research of Carollee Howes at the University of California at Los Angeles. She's found that when children change caregivers frequently that they look different when they are preschoolers, that they are less competent both with materials and with the tasks of the early childhood program.

This is a concern of ours because of recent study called the staffing study has shown that 6 months later after a national study looking at caregivers, 50 percent of them had changed caregivers and children have as many as six to eight different arrangements during a day in their early childhood programs.

The second is aggression. We are concerned about children having more aggression if they're in group programs. A study that was done at the University of North Carolina showed that when they found children entering kindergarten after their model early childhood program were in fact more aggressive. They went back and looked at the way aggression was handled and found that they were generally ignoring it and comforting the child who had been hurt. Ignoring the child who had been the aggressor. When they developed a program to teach social skills to children, the aggression level went down 90 percent.

Another example is from the research of Deborah Vandell who found that children who were bored and not having enough to do when they were 4 looked different when they were 8 in terms of less confidence in social relationships and academic achievement.

It's very clear that during the early childhood years social development as well as academic achievement is being vastly influenced and we're going to pay for this neglect in the programs if we don't pay attention to this.

The second concern that I have is that there's an assumption among many that if we just give and this is behind President Bush's proposal, which I think is wonderful as a family allowance but not as a solution to early childhood problems. That if you give parents money, then the economic system in this country will work.

It's very clear to me that the economic system works well when people change products frequently. There is a very big cost for parents in changing early childhood programs as exemplified by a study that I'm in the process of doing. When we ask parents whether there were choices when they looked for their programs, and these were parents who by and large had more money than they had, $43,000 median income as opposed to $33,000 median income in that city, only 6 percent of them had not looked for other programs and 56 percent had not been able to find any other choices that they could either afford or that were decent for them; 54 percent said that if there had been other choices, they would not have chosen the program that they had now.

If you just give low-income parents money, it is absolutely not going to be able to solve this problem alone.

A third concern that I have is that we are going to concentrate on supply and ignore the quality issue. In New York State, when there was an effort to expand prekindergarten, the early childhood community got together and told the Governor, no, let us do what we're doing well enough. Let's improve what we're doing before we invest in an expansion and I thought that was a heartfelt plea from early childhood community.

In the study that I told you that I was involved in, they found that in the good programs in that community the children were ignored 50 percent of the time. In the poor programs, they were ignored as much as 75 percent of the time.

Another concern that I have is that we're going to concentrate on schooling and ignore the child care crisis. I hear from many Governors and legislatures that the answer is to have school and then maybe wraparound child care. That was the recommendation.

If we do, we're going to increase the multiple arrangements that families have to make and the work family conflict and we are going to do not very much both for the families and the stress that they bring home for their children as well as for the children themselves.

Children are learning all of the time. They don't need to learn for 2 hours a day and have custodial care for the rest of the day.

We will also spend as much on busing in some parts of the country like New York State, the rural parts, as we will in early childhood programs.

Another concern that I have and this is a concern that I have with Head Start as well as many of the new efforts is that we're going to segregate the at-risk children. We're going to develop programs for the neediest children and put them alone. If you speak to teachers around the country as I have done, who were teaching in these at-risk programs, they say that it really doesn't work. They need to have programs that have role models for the other children. We need to have diversity in our programs.

Another concern that I have is that we're going to accelerate what we do and try to do more of it early on. This is I think expressed in the increased testing that we see, the concern with the magic cutoff date, with making kindergarten programs, first grade programs.

Teachers will tell you that we're just going to have burn out children. There's no research evidence that this makes any difference at all.

A sixth concern that I have is that we're going to develop programs that ignore the staffing crisis. The low salaries that teachers are paid. This is a terrible problem in Head Start and throughout the early childhood programs.

A survey that Phillip Morris just did found that single parents were paying only $10 less than business executives for early childhood programs. We're certainly going to have to subsidize our poorest family for early childhood programs but the wealthier families are going to have to see this as an investment and they're going to have to pay more.

A seventh concern that I have is that we're going to forget that early childhood programs like Head Start have worked because they're comprehensive. At a meeting that I was in in New York City recently, they're talking about the removal of those auxiliary but they're what make Head Start work, services in early childhood programs. And we must not do this. We must remember that programs like Head Start work because they are comprehensive.

An eighth concern that I have is that we're going to focus on preschool and ignore the other ages and we can't just assume that if we start at 3 years old we're going to solve this problem. Not with the increase in teen mothers that we have in New York City.

The hearing that I participated in on Saturday they were saying that the kids that they got now were predominantly from teen parents. Not with the number of children who are born to drug-addicted parents. We must begin to intervene at conception when children—we must have parent programs and parent support programs, we must remember that 53 percent of our mothers are working when their children are infants and if we think we're going to fix this with 3-year-old programs, we have remediation to do even at 3 years old.

A nineth concern that I have is that there's an assumption and you said that no one assumes that the private sector can do it at all. I work with the Department of Labor and if you look at child-care work force issue where you look at the statements that Ann McLaughlin was making last year, there was the assumption that this child-care problem could be solved by the business sector.

That's clearly not true. I served on Governor Cuomo's task force on work and family life in New York State and I think we made a very wise decision when we looked at where business has invested in early childhood programs. They've invested where the system is decent, where there is a good system because they don't set up their own onsite programs, they provide more flexibility, they provide resource and referral, they give parents money to pay for child care, they have seminars at the workplace.

The best investment that we can make is to have a good system for them to buy in and that was the decision of New York State and tax credits don't really help. They may raise awareness but they don't really help——

Representative **Scheuer**. I have a 10th concern and that is we're running out of time.

Ms. **Galinsky**. We're making decisions from adult territorial prospectives. We need to look at what is most important for kids. I served on Governor Cuomo's task force on early childhood services and a lot of the discussion was battling over my children versus your children and we must think of them as our children and be concerned with what matters most.

Can we afford it? I would agree with Business Week, that we have no choice.

[The prepared statement of Ms. Galinsky follows:]

PREPARED STATEMENT OF ELLEN GALINSKY

Thank you for inviting me to testify this morning. I am very honored to be included in such a stellar group of experts.

The major points that I would like to make this morning are 1) that the assumption upon which we based our thinking about the cost of early childhood education programs is faulty; 2) that I can foresee a re-examination of this assumption for demographic and economic reasons, leading to a new interest in and a commitment to programming for young children; and 3) there are certain pitfalls we should avoid during this period.

First, let me begin by outlining what I consider the faulty assumptions to be. When early education and care are discussed in public forums and across the editorial pages of America, the price tag of these programs is highlighted in a vaccuum: "These programs would cost the taxpayers so many dollars." It is as if we aren't spending anything now and as if there isn't a future cost to our current activities. I think we have to reframe the issue to examine what it will cost us to continue on the path we are taking. I also think, having reviewed the substantial number of excellent research studies that exist, that the cost of today's neglect will be one that our economy simply cannot afford.

Let me be more specific. Research has identified, without a doubt, the kind of programming young children need to grow intellectually, socially and emotionally. Research has also revealed the long term developmental effects of not providing these conditions.

I. The Effect of Quality on Children

A. The Relationship Between Provider and Child

1. The Personal Relationship

The most important ingredient of quality is the relationship between the child care provider, whether she or he is a teacher in a center, a family day care provider, or an in-home child care provider.

Studies have found, in fact, that children do form attachments to their child care provider, although Thomas Gamble and Edward Zigler (1986), in a review of this research reminds us that children's attachments to their parents are pre-eminent. Carollee Howes from the University of California at Los Angeles and her colleagues have found that children with a secure attachment to their mothers and their provider behave more competently than those with two or more insecure attachments (Howes, Rodning, Galluzzo & Myers, in press). Thus, it seems, the cost we could pay for poor relations between the child care provider and child is the child's feeling that he or she is just one of many, as opposed to being treated as an individual -- someone "special and unique" -- which is one of the foundations of emotional and social well-being.

2. The Teaching Relationship

No matter the setting, child care providers are teaching children every moment, both formally and informally. Research shows that the way this teaching is done makes a difference in children's development. For example, a study by Deborah Phillips, Kathleen McCartney and Sandra Scarr (1987), has found that when children are talked to, asked questions, and encouraged to express themselves, their social development is enhanced: They are more likely to be considerate. In fact, these children were also rated as more intelligent and task-oriented. The teaching environment, in fact, was more predictive of the children's achievement than their social class background. Kathleen McCartney (1984), in a re-analysis of this same data set, found that when children were in a verbally stimulating environment, they were more likely to achieve in tests of cognitive abilities and language development.

Child care specialists voice concern over situations in which children are bored or pressured. In a longitudinal study, Deborah Lowe Vandell and her colleagues found that 4-year-olds who attended programs in which they spent time aimlessly wandering around were more likely at 8-years of age to have developmental problems, including less acceptance by peers, less social competence and poorer conflict resolution skills (Vandell, Henderson & Wilson, in press).

3. The Disciplinary Relationship

There has been a great deal of research indicating that the disciplinary techniques parents use have an impact on the child's subsequent development. These findings can be applied to child care. Children are more likely to develop self-control and to become more compliant, cooperative and considerate of the feelings of others if reasoning is used, if providers explain how a child's behavior affects others, and if problem solving skills are taught. Finkelstein (1982) showed that when child care providers are trained in behavior management techniques, the frequency of children's aggressive acts is reduced. The cost we as a society could pay for children who grow up more aggressive seems high indeed.

4. The Stability of the Relationship

With 35% of all center staff and 60% of all in-home providers leaving the field every year, it is no wonder that a 4-year-old recently said to a teacher, "I don't have to listen to you. I was here before you came and I'll still be here when you leave." Other parents report their children resist going to child care because they simply don't know who will care for them that day. Carollee Howes, in her studies of family day care (Howes & Stewart, 1987), found that there was a cost to children who changed arrangements frequently: They were less competent in their interactions with materials and with the other children.

B. The Resources of the Child Care

The second aspect of quality early childhood arrangements relates to its resources: The group size, staff/child ratio, health and safety considerations, and training opportunities.

1. Group Size and Staff/Child Ratio

The federal government funded the National Day Care Study in the late 1970s to investigate the degree to which the regulated features of child care arrangements had an effect on children's development. One of their most important findings was that the group size made a big difference. In smaller groups the adults spent more time being with the children and less time simply watching them. The children were more verbal, more involved in activities, and less aggressive. Finally, the children in the smaller groups made the greatest gains in standardized tests of learning and vocabulary (Ruopp, Travers, Glantz & Coelen, 1979).

Although significant, the National Day Care Study did not find staff/child ratio as powerful a predictor of preschoolers' development as group size. This study did find, however, that the number of adults per child mattered a great deal for infants. Poorer ratios were correlated with increased emotional distress, and less pro-social behavior (Ruopp, et al., 1979). In a study by Howes and Rubenstein (1985), children in family day care homes with fewer children were more verbal, played more, and showed less distress.

2. Health and Safety

There has been a great deal of public concern about transmission of illness in child care. Susan Aronson, a pediatrician from the Medical College of Pennsylvania, has been studying the health risks in group programs for the past decade. She has found a clear demarcation between those early childhood programs in which children become ill often and those in which they do not: When adults wash their hand frequently, children are healthier (Aronson, 1987).

The costs of children's illness and injury are obvious in health care expenses and missed days of work for their parents. Children's safety can be improved when providers are knowledgable and when the environment is hazard free.

3. Training

The National Day Care Study (Ruopp, et al., 1979) concluded that one of the most important ingredients of quality was the on-going relevant training of providers. In programs in which teacher-caregivers had early childhood training, the children behaved more positively, were more cooperative, as well as more involved in the program. These children also made the greatest gains on standardized tests of learning.

In summary, research on the impact of the resources of the child care program reveals a strong connection between group size, staff/child ratios, health and safety, and training and children's social, physical, and cognitive well-being.

When I think of the cost we as a society pay for less attention to the resources in child care, I think of Jessica McClure, the toddler from Texas. It cost a great deal more to rescue Jessica from the well in her aunt's unlicensed family day care home than it would have cost to prevent the problem from happening in the first place.

C. Relationship With Parents

Numerous studies have been conducted on the long-term effects of early childhood programs, particularly the government-funded Head Start programs. One of the most noteworthy findings is that when early childhood programs are effective, they do much more than teach the child. The parents are affected and through this experience become better teachers, motivators, and advocates for their children.

A recent follow-up study of Head Start in Philadelphia (Copple, Cline & Smith, 1987) is noteworthy in that it reflects typical rather than exemplary programs. In that study, Head Start children were more likley to avoid serious school problems, were less frequently retained, and had better attendance records than their counterparts in the control group. The researchers suggest that the Head Start program may have reduced the helplessness these parents felt in response to the school. Instead of seeing school as a place where their children were doomed, they may have come to see it as a place where their children could hold their own, and where they, as parents, could speak out on behalf of their children's education.

D. Conclusion

The studies I have been describing have been carefully controlled. The effects of different family backgrounds have been statistically accounted for so that the researchers could determine the impact of quality on children's development. The evidence is uniform. The quality of early childhoood programs has a strong effect on children's development. Carollee Howes summarizes her numerous studies on different forms of child care by stating:

> Children who entered low quality child care as infants were [the] least task oriented and considerate of others as kindergartners, had the most difficulty with peers as preschoolers and were distractible, extroverted and hostile as kindergartners. (Howes, 1988)

II. Changing Demographics

I believe that we, as a nation, are going to re-examine the assumption that early childhood programs are too costly and adopt the stance that Business Week (September 19, 1988) recently took; "The nation's ability to compete is threatened by her inadequate investment in her most important resource -- people." Their editors argued for early education. "Can we afford it?" they wrote. "We have no choice."

Likewise, a report entitled Children in Need prepared by the Committee for Economic Development (1987) also calls for quality preschool programs for all disadvantaged three- and four-year olds. They state:

> Quality education for all children is not an expense; it is an investment. Failure to educate is the true expense. In addition to improving our schools, investing in the careful nurturing of children from before birth through age five will deliver a handsome profit to society and to the individuals and families who have so much to gain. (p. 2)

These recommendations stem from economic factors. Because we are facing a labor shortage due to a drop in the population growth - from 1.9 percent per year in the 1950s to .07 percent per year by 2000 (Johnston, 1988) - then for the sake of the economy, we as a country can no longer afford to ignore the reality that one in four children does not complete high school (U.S. Department of Education, 1988) and that 15 percent of recent graduates of urban high schools read at less than sixth grade level (Kozol, 1985). In fact, in some parts of the country the labor shortage is already being felt. Unemployment may be as low as 2 percent and employers do not have their pick of an endless stream of baby boomers. Furthermore, some are having trouble finding employees skilled enough for the changing information-based economy and even competent enough to be trained. According to Jonathan Kozol, of 8 million unemployed adults, 4 to 6 million lack the skills to be retrained for hi-tech jobs (Kozol, 1985).

III. Potential Pitfalls

Thus, today's competitive business interests have the potential for enhancing the well-being of families. If society takes greater responsibility for providing good quality programming for children, their positive development could be enhanced and presumably family stress could be reduced. But will we take that route? An examination of the various early childhood initiatives that have been stimulated by these demographic realities reveals that there are several directions that may be taken, some with negative repercussions.

A. A Potential Pitfall: Concentrating on Schooling and Ignoring the Child Care Needs of Employed Parents

In numerous states there has been increased interest in providing preschool programs within the public schools. In New York State, for example, the Task Force on Children and Youth At Risk (1988) recommends that the Commissioner of Education and the Board of Regents, and the State Education Department "Initiate developmentally appropriate early childhood education programs for all children starting in communities with the highest concentrations of disadvantaged families"(p.7).

The problems with developing preschool programs within the schools is that they are part-day problems. A recent nationwide survey conducted by Bank Street College and Wellesley College (Mitchell, 1988) found that 80 percent of preschool programs within the public school operate only during the school year and 60 percent of them offer a daily session of three hours or less. Furthermore, 90 percent of superintendents said that they did not plan to increase the hours of operation in the near future. This policy strategy runs counter to what has been labelled a "revolution" (Smith, 1979): the large increase in the number of employed mothers. In 1987, 57 percent of the mothers of preschool children were in the labor force, up from 39 percent in 1985 (U.S. Department of Commerce, Bureau of the Census, 1987). Hofferth and Phillips (1987) predict a continued influx -- by the mid 1990s they estimate that two thirds of preschool children will have mothers in the labor force.

Thus, it stands to reason that part-day programs within the public schools, while potentially good for children, might have a negative impact on employed parents. Parents who enroll their young child in public school preschool programs would have to make other arrangements for that child before and after school. Since the supply of before- and after-school programs in no way meets the current demand (U.S. Department of Labor, 1988), many parents might be forced into makeshift arrangements. Not only might the daily schedule cause conflict for the parent, so would the yearly schedule: vacations, holidays, closings for teachers' conferences, and snow days.

The research projects that I have been directing over the past decade at Bank Street College reveal that such child care problems already take a heavy toll on employed parents. We have found that parents are currently putting together patchwork arrangements which frequently fall apart. For example, a survey of 931 employed parents in three corporations conducted by Resources for Child Care Management (RCCM) and Bank Street College indicated that the families have as many as three to four different child care arrangements (Lurie, Galinsky, & Hughes, 1988). Furthermore, we and others have found that there is a significant relationship between the number of child care arrangements that parents use and the number of times that these arrangements fall apart (Shinn, Ortiz-Torres, Morris, Simko, & Wong, 1987; Hughes, 1987; Galinsky, 1988a). We found that 63 percent of the employees had at least one breakdown of their usual child care arrangement within the past three months and 22 percent had three or more breakdowns.

In assessing all of the potential predictors of psychological adjustment at home or on the job, we have found that the breakdown of child care arrangements ranks as one of the most significant. In the nationally representative study we conducted for Fortune magazine of 405 employed mothers and fathers (Galinsky & Hughes, 1987), the breakdown of child care arrangements was linked to higher levels of stress. Only 17 percent of the parents with no breakdown in their child care arrangements reported feeling nervous or stressed "often" or "very often" in the past three months as compared to 33 percent of the people who experienced more numerous breakdowns. The breakdown of child care arrangements can even have physical repercussions. In the Fortune study we found that child care breakdown was significantly associated with more stress-related health problems.

Thus, if the response to the increased competitive pressure of the global economy is to provide more part-day preschool programs within the public schools, employed parents' well-being may be adversely affected. Perhaps, even more ironically, the current productivity of employed parents may also be jeopardized. We and others have found that more numerous child care arrangements and thus more frequent breakdowns are linked to higher levels of absenteeism and more tardiness. In addition, child care breakdown can have a negative impact on employees' ability to concentrate on the job (Galinsky & Hughes, 1987; Galinsky, 1988a).

B. A Potential Pitfall: Concentrating on Increasing the Supply of Programs While Giving Less Attention to Program Quality

It is interesting that the current widespread interest in the early years has largely grown out of two notions: (1) the productivity of our current workforce is affected by the stability of the child care system; and (2) the productivity of our future workforce will be affected by the early education children receive. These tenets, however, presuppose that care and education are separate for the young child. However, if one takes a developmental viewpoint, it becomes apparent that young children need care in order to learn and are, in fact, learning in whatever setting we as adults place them, whether such settings are labelled "child care" or "school." It is the quality, not the name of the program that makes a difference.

It has been one of my frustrations in dealing with policy makers and serving on task forces over the past several years that the debate on the early years tends to filter down into discussions of increasing the supply of programs or giving money to parents to pay for programs. A subsidy for parents is the "child care" proposal of Presidential Candidate George Bush. However, if one wants preschool programs to increase the competance of our future workforce, then the type of program clearly makes a difference.

C. A Potential Pitfall: Ignoring the Staffing Crisis

Some of the recent efforts to provide early childhood programs, particularly within child care settings, also ignored one of the most central aspects of quality, the high turnover of staff. This turnover has been linked to low salaries. Seventy percent of child care workers earn less than poverty level wages (Whitebook, Pemberton, Lombardi, Galinsky, Bellm, & Fillinger, 1988). It is obvious that the best physical settings and curriculum materials are worth very little if staff change is constant. Thus, efforts to provide quality early childhood programs must include strategies to increase salaries for early childhood professionals.

D. A Potential Pitfall: Not Providing Comprehensive Services in Preschools

The model programs that form the basis of our research evidence that preschools are cost-effective investments also provided comprehensive services. Especially for families in poverty, inattention to their social service needs may obfuscate the efforts of the educational curriculum. Unfortunately, it is precisely these services that have been hardest hit during the past administration.

E. A Potential Pitfall: Focussing on Preschool While Ignoring Other Ages

Experts such as Bernice Weissbourd (1987) from the Family Resource Coalition and Edward Zigler (1987) from Yale University note that societal intervention into the lives of at-risk children must begin with a concern for the mental and physical health of the pregnant woman and with the psychological well-being of the family into which the child is born. A growing number of studies are beginning to document the positive effects of family-support programs and several states are beginning to create these programs (Powell,1986; Meyerhoff & White, 1986). It is laudable that the the Committee for Economic Development recommends programs to encourage teen parents to remain in school, health care for high-risk mothers and children, as well as parenting education programs.

In addition, it is clear that quality child care programs are not only necessary in the preschool years. The Census report (U.S. Department of Commerce, Bureau of the Census,1987) has documented the startling fact that 51 percent of the mothers of infants are in the labor force. Furthermore, the number of children left home to care for themselves alone or their younger siblings is unknown, but estimates put the number at more than two million. If one takes the perspective of the employed parent, the need for child care extends from infancy through early adolescence and is especially pronounced in the earliest years. While money for early childhood efforts is often in short supply, and states as well as the Federal government may have to make choices about where to begin, it is important to realize that programs directed solely at preschool children may already be too late.

F. A Potential Pitfall: Assuming The Private Sector Can Solve All These Problems

There have been some who have turned to the business community and said, "These are your parent employees. It's up to you to solve the child care problems." (DOL, 1988). There has been a dramatic increase in the number of companies beginning to develop child care initiatives (3500) but considering that there are 6 million employers, the response of the business community can in no way meet the need. Furthermore, business programs tend to serve the highest paid employees, increasing the gap between the have and have-not groups of parent employees. (Galinsky, 1988) Furthermore, since Governor Cuomo's Task Force on Work and Family concluded that businesses tend to buy into the child care system by supporting or expanding local programs or funding Resource and Referral rather than creating their own child care programs and since they tend to do so in the communities with the strongest child care -- they don't want to buy into poor quality systems -- the private sector cannot be expected to solve these problems alone. As the New York State Task Force concluded, the role of government is to create a better system so that business will buy in.

IV. Conclusion.

To address the child care crisis in this country we need a partnership among state and local government, business, religious groups, and social service and philanthropic organizations. The most crucial federal role is in building this substructure. The years of knowledge about the ingredients of quality make it evident that we are losing a great deal by not responding to the crisis of inadequate, tenuous and poor quality child care. If we don't respond now, we will pay even more for our negligence in the future.

Representative SCHEUER. I very much appreciate your brilliant testimony. We will be talking to you. We will hold the record open and we're going to ask you several additional questions by mail and we'll do the same thing for Frank Doyle.

I apologize for the lateness of the hour and the fact that we have to be out of here at quarter to 1. I have to be on the 1:30 plane. I could be on the 2 o'clock plane but I cannot cross a picket line as a matter of congressional survival as well as a matter of basic morals.

Mr. Frank Doyle is head of the corporate relations staff at General Electric Co. He has responsibility for employee relations, government relations and public relations for General Electric. He chaired the Committee for Economic Development in 1986 and 1987, intergovernmental policy advisory committee on work and change and he was a member of the task force on worker dislocation under former Secretary of Labor, William Brock, who incidentally testified brilliantly at our recent hearing on what it takes to produce an educated, skilled, and competitive work force.

We're delighted to have you here. We will be asking you some questions and hoping you will round out your testimony by mail. Take several minutes which is all we have left and give us the highlights of your thoughts which we will then expand later.

STATEMENT OF FRANK P. DOYLE, SENIOR VICE PRESIDENT, GENERAL ELECTRIC CO., AND MEMBER, BOARD OF TRUSTEES, COMMITTEE FOR ECONOMIC DEVELOPMENT

Mr. DOYLE. Thank you very much. Perhaps in the interest of time my testimony being on the record, I will address some of the specific issues that you raised in previous testimony which I had the privilege to hear.

First, is there a consensus developing, is there a mechanism in the body of support in the private sector to support these efforts? I think there is. I think it's developing. I think it's encouraging that in large companies in the Committee for Economic Development in the New York State Chamber, New York City partnership, these are issues that are under active discussion. I think the support base is developing and I think hearings of this nature help it.

Second issue——

Representative SCHEUER. You heard me chat with Steve Berger and Chancellor Murphy about how we involve the corporate sector. We will certainly include you in that group and we are confident that you will play a key role.

Mr. DOYLE. I think on the issue of corporate involvement, why do we get involved and why do we care? There has been a major pressure brought upon the work forces of American corporations. We are training and retraining every day. We are one of the largest conduits for training going to the work force and we do it through the private sector but we do it most effectively with our current work forces or people we're about to hear.

Contrary to general view, we do take a longer look at our issues and the issue is one that simply the educational base that permits people to learn, to understand, to be trained and retrained is not present in the sufficient part of our total work force.

We're producing a curious and I think tragic construct in the American work force and that is we are going to have too many jobs and not enough qualified people to fill them at one end of the spectrum and then a drying up of good jobs that used to be available to people with limited education. They are no longer available that most American corporations are now forming as part of their necessary adjustment to global competition.

When you have that going on, what you have and I think the issue also raised earlier, with regard to these programs, this is a population that large employers who traditionally take the leadership roles in these fields have no access to. We do not employ the parents of the poor children who need or in most desperate need of Head Start and Smart Start can give.

I would say that the most important thing that the private sector can do is to continue to impress upon the Congress and the leadership at all levels that we consider it an urgent need. It is not a zero-sum game. In fact, the economic return of this investment is very significant because we cannot expect this economy to compete in the world of very rapid change.

If we have too few educated people to do very valuable work and then another large segment of our population who are simply not qualified to fill those available jobs, the twin burden is just too much of us to carry.

I see it as both a real need, one that will enjoy business support, but the fact of the matter is we do not have direct access to those most oppressing needs.

[The prepared statement of Mr. Doyle follows:]

PREPARED STATEMENT OF FRANK P. DOYLE

MR. CHAIRMAN:

I am pleased to be here this morning at the Education Alliance. And it's a privilege to speak in support of additional early childhood education programs... both as Senior Vice President for Corporate Relations for General Electric, and as a trustee of the Committee for Economic Development.

Let me state bluntly at the outset that there exists no greater concern to GE and the CED trustees alike than the failure of the nation to prepare our young people for the increasing changes in work produced by a rapidly changing U.S. economy and the intensifying pace of global competition. I believe that companies-- and indeed economies-- that are able to adapt to change and compete globally... are those that view change less as a problem and more as an opportunity.

To prepare ourselves for change, we have virtually transformed the way we do business and organize work at GE. We have adopted a dual, interdependent strategy: first, investing heavily in product and process technology; second, preparing our people to adapt to these new technologies. Across the company, we expanded our retraining efforts as it became essential for our workers to learn new, more complex skills, from computerized quality control to plant floor management.

The key to my company's adaptability depends on our ability to find, hire and retain new workers who are not only prepared for change... but who are prepared to keep changing as technologies evolve. That requires hiring people who are not only verbally and mathematically literate-- with analytical ability and disciplined work habits-- but who are also able to learn... and learn quickly. And jobs demanding those skills... will be the only jobs we will have.

There is little we at GE can do-- on or off the factory floor, in our core manufacturing, high technology or diverse service businesses-- with employees who cannot read, write or count... and who are either unwilling or unable to learn. We simply can't train people who arrive at the workplace not with learning disabilities but what I call "learning disabled"... caused in part by the failure of our institutions to intervene early enough and effectively enough. The fact is we at GE have substantial difficulty in finding job applicants at all levels who meet our requirement of either being ready to work and easy to train. We find this difficulty to be particularly pervasive at entry level positions where far too many applicants lack even the most basic skills.

We spend hundreds of millions of dollars every year at GE on training and retraining our current work forces of almost 300,000 people. How effective and economical those efforts are depend, in large part, on the quality of childhood education. The quality of childhood education in American isn't for us just an issue of philanthropy and corporate responsibility; it's an issue of productivity and profitability.

My work with the CED has reinforced this view... especially my role in writing a policy statement-- entitled Work & Change-- focusing on worker dislocation and adjustment. That CED study disclosed that the single most important factor in shortening the time it takes for a displaced worker to find a new job was level of education. Education is both a worker's best defense against sustained unemployment and a worker's best offense as technologies and workplaces change. Educated workers are adaptable workers.

This past year I have taken on a new assignment with the CED to chair a Subcommittee dedicated to looking at future demographic shifts... especially at how they will shape our ability to maintain a competitive work force. For example, we already know that if current trends prevail, there will be an increasing shortage of available workers... even assuming they are educationally prepared. It has even been predicted that by the year 2010, the job supply shortage may reach as high as 23 million jobs found wanting for lack of qualified and available candidates.

Tragically, we continue to fail to graduate nearly 700,000 young people a year, most of whom are destined for lives of economic hardship, and many of whom will become costly burdens for society. The CED estimates that a single year's class of dropouts costs the nation $240 billion in lost earnings, tax revenues, and additional social program costs over their lifetimes. So Smart Start is an investment decision... and an easy one at that: better to attack the causes now than pay for the consequences later.

Much of this failure is concentrated on the nation's poorest children, many of whom stand virtually no chance to share the benefits of the U.S. economy unless we intervene. An appalling 20% of our teenage children and younger live in poverty-- and 1 in 4 children under the age of 6-- live in poverty. These children account for nearly all of the more than one third of the nation's children who eventually grow up with few, if any, employable skills. These statistics reveal waste of human potential and represent lost opportunities for our nation... especially when America's competitiveness depends on tapping the talents of all our people. To do that, we must attack the mismatch between people and skills right at the source.

For these reasons, CED chose to focus attention on educationally disadvantaged children. I believe that the resulting policy statement, Children in Need, has made a significant impression on business leaders and policymakers by alerting the country to the advantages of early investment in education for the disadvantaged.

The CED research has also demonstrated a critical link between early intervention and life-long achievement among our society's most disadvantaged young people. We concluded that to succeed in helping children at risk, we must respond to the needs of the whole child, from prenatal care through adulthood. I am pleased to note that both the spirit and much of the substance of the CED recommendations is embodied in federal legislation currently under consideration.

A promising bill is S.123-- Smart Start-- which not only meets virtually every criterion our study set forth for successful intervention but makes some worthwhile improvements. These include requiring both the Departments of Education and Health and Human Services to be involved in developing program policy and regulation... providing for parental choice, enabling parents to choose between half day, full day, or extended day programs... coordinating available health and nutrition services... and most significantly, upgrading-- rather than supplanting-- existing Head Start programs. Smart Start, in effect, gives a kick-start to Head Start to make it even more effective even earlier. Finally, S.123 enables a broad mix of children to participate, on a sliding scale fee, thus bringing the advantages of this program not only to those who qualify economically but to all children who might benefit.

Smart Start's closest House counterpart-- H.R.3-- also contains many promising features. Not only does it also build on and strengthen existing Head Start programs, but it also emphasizes development-based approaches to early childhood education and both infant and school-age day care programs.

Finally, the Administration, as you know, has itself proposed both a $250 million increase in Head Start funding for FY'90, as well as three other childcare initiatives. These are promising demonstrations of what these issues truly deserve: presidential leadership. I urge the Congress and the Administration to cooperate, legislate and implement these kinds of programs this year, in this session of Congress.

Let me conclude by emphasizing that investment in education is government at its best and most needed... when it's done right. When it's done right... investing early in education is the best investment of all.

We can no longer tolerate-- as a compassionate society, as a competitive economy-- a short cycle by which our children are being rendered ineligible for productive participation in our future workplaces by the age of ten, if not five. We cannot wait; they cannot wait.

But if we could snap our fingers and find these promising legislative initiatives in full operation tomorrow... the first class of high school seniors that will have benefited will not be graduating until the year 2003. Let us hope that is not too late... and let us act now before it is.

Thank you very much.

Representative Scheuer. I thank you for that brilliant statement. I thank this entire panel. I regret that time presses on us and we must terminate the hearing. We will be in touch with all of you and we will be asking you questions which will be part of the official record.

I ask unanimous consent that the record be held open for another 2 weeks. There being no objection, it is so ordered.

I'm very grateful to you and I apologize for the time that you've been kept waiting. I thank you for your tolerance and for your patience.

The subcommittee is hereby adjourned.

[Whereupon, at 12:45 p.m., the subcommittee adjourned, subject to the call of the Chair.]

[The following responses to additional written questions were subsequently supplied for the record:]

RESPONSES OF URIE BRONFENBRENNER TO ADDITIONAL WRITTEN QUESTIONS POSED BY REPRESENTATIVE SCHEUER

Cornell University

New York State College of
Human Ecology

Department of Human Development
and Family Studies

Martha Van Rensselaer Hall
Ithaca, NY 14853-4401

June 20, 1989

Congressman James H. Scheuer
Chairman, Subcommittee on Education
and Health
Joint Economic Committee
Congress of the United States
Washington, DC 20510

Dear Jim,

My profound apologies for taking so long to reply to your gracious letter and request for supplementary information. I had to complete two major pieces of work before setting forth on a six-week trip to Europe, for which I also had to prepare for lectures and meetings with policy groups.

I respond to your questions in the order that you presented them:

1. With respect to how other industrialized countries are dealing with problems of child care, we encounter a somewhat paradoxical situation; namely, many of their programs are based on models developed here in the United States (especially Head Start). The difference, of course, is that these models are adopted on a far wider scale. Among the most important and effective principles underlying these models are the following:

(1) Programs that are family-centered rather than purely child-centered

(2) Providing low-cost health insurance for families through government subsidies, which also require significant contributions by employers and the families themselves

(3) Provision of child care during hours and in settings that make it possible for parents to combine family and work responsibilities. The European experience suggests that the provision of child care on a neighborhood basis is sometimes more appropriate than day care services at work, primarily because the former require transporting the child to the workplace, which is often at some distance

(4) Insuring income levels for caregivers that are sufficient to enable them to support their own families

(5) Providing training and certified professional status for child care workers

2. As a member of the committee that designed Head Start, I can say without qualification that its primary purpose was not "to assist working parents", but to make it possible for children to obtain the kinds of experiences both in their families and in Head Start centers that would enable them to realize their potentialities through being able to learn in school. Where one or both members of the family have to work full-time in order to make ends meet, Head Start has to be an full day program if it is to achieve its goals.

3. You ask whether parent involvement, a key component of Head Start, is realistic given the fact that almost 60% of mothers of preschool children work. It is because so many mothers of preschool children work that parent involvement becomes a crucial component, and neither the program nor the family could function without it. That's what makes it realistic. In this connection, it is important to recognize just what parent involvement means. Although it can include the participation of parents as aides at the center, or as members of advisory groups to the program, this is not the heart of the matter. What makes the difference is the maintenance of a two-way process of communication and human relationships between parents and program staff, so that each of these two major foci of the child's life can learn from each other, receive support from each other, and coordinate their efforts in the best interests of the child. To be sure, in order to fulfill this objective, it is necessary to provide opportunities to get together at times that both parents and staff are able to do so. Under these circumstances, group meetings PTA style will often not be the primary vehicle; rather, parents should be encouraged to drop in at the center whenever possible, and conversely, staff should try to arrange for home visits or other get-togethers, usually involving only a few parents. The involvement of fathers in this connection is especially important, since, as I mentioned in my testimony, they, or other "third parties" in the child's life, play a significant role in the development of children's competence and character.

4. There are indeed "certain thresholds" that must be met for preschool or other child care programs to impact favorably on a child's development. The most basic minimal requirements are already spelled out as the four essentials of the program; namely, the simultaneous availability of health care, social services, developmental experiences for children, and parent involvement. It is perhaps important to underscore that "developmental experiences" implies more than just consistent relationships and responsible care; for development to occur, there must also be opportunities for the child to engage in

experiences that invite involvement in progressively more complex activities, but not in a traditional formal school context with one-way instruction from teacher to child. As for the percent of preschools in the United States that meet the above criteria, to my knowledge no solid data are available on the basis of which one can give a firm answer to this question. At the same time, however, on the basis of my familiarity with preschool programs abroad, I believe I can say with some confidence that this percentage is substantially lower than it is in other modern nations, primarily because of the low status that we accord to caregivers and preschool teachers, and our failure to provide them with adequate training, based on existing research knowledge and professional experience.

5. Although I am not an expert on the financial aspects of child care, I would certainly concur that as a nation we are generally not proceeding along cost effective lines in emphasizing programs that cost less initially but often do not provide what we know to be the essentials for insuring adequate child development in general, and, more specifically, preparing children so that they can successfully learn in school. Finally, while I am not competent to suggest a specific dollar amount, the experience in other modern nations clearly indicates that it is "possible to have inexpensive but effective preschool."

I trust that these responses to your questions will be of some use. I must apologize in advance for the fact that I shall not be able to proofread this letter, since I am dictating it over the weekend just before my departure for Europe. My assistant, Ms. Gerri Jones, however, is a very intelligent person who is familiar with my work and ideas, and I am sure she will be able to make sense out of any gaps or errors of mine. In the event that you need to check with me on particular items, Ms. Jones will know where I can be reached. I shall be returning to the United States on or about the 6th of August.

In conclusion, I should like once again to express my deep gratitude for the commitment and contribution that you and your Committee are making on behalf of the nation's children and their families. Your Committee has been among the first among the nation's leaders to recognize the intimate and inexorable connection between the quality of child care and our capacity to sustain our economic leadership and productivity. Perhaps the most complete and compelling evidence that we now have on this issue is the clear indication that, unless we strengthen already existing effective programs and introduce some new initiatives, the present disastrous trends with respect to inferior school

achievement and rising rates of behavior problems, delinquency, and drug addiction that is sapping the strength of the next generation will continue at an accelerating rate into the next century.

Sincerely yours,

Urie Bronfenbrenner in his absence

Urie Bronfenbrenner
Jacob Gould Schurman Professor
of Human Development and Family
Studies and of Psychology, Emeritus

RESPONSES OF ELLEN GALINSKY TO ADDITIONAL WRITTEN QUESTIONS POSED BY REPRESENTATIVE SCHEUER

BANK STREET COLLEGE
Bank Street College of Education/610 West 112th Street/New York, NY 10025 (212) 663-7200
DIVISION OF RESEARCH, DEMONSTRATION AND POLICY

June 9, 1989

James H. Scheuer, Chairman
Subcommittee on Education and Health
Congress of the United States
Washington, DC 20510

Dear Representative Scheuer,

Thank you so much for inviting me to appear before the Joint Economics Subcommittee on Education and Health.

My responses to your questions are as follows:

1. Head Start was created as an effort to give poor (disadvantaged or "at-risk") children a head start. As it is only a half-day program, it does not provide child care coverage for employed parents and as as such may either prevent the children of the working poor from attending or complicate the care arrangements their parents must make. The research projects that I have directed over the past decade reveal that the more child care arrangements families have made, the more likely these arrangements are to fall apart, leaving parents to scramble to provide last-minute child care. The more frequent the breakdown of child care, the more negative the repercussions to families. Our research links this to poorer parental health, higher stress and less perceived satisfaction as a parent.

You noted in your questions that the goals of early education and child care coverage are not incompatible. I couldn't agree with you more. We must stop making this false dichotomy between care and education. Young children need both. Adult territorial issues must not divide children up into "learning" and "care." We need to create an integrated system that recognizes that children must have stimulating and nurturing experiences. I thus applaud the provisions in ABC and HR3 that expand Head Start to full working-day programs.

2. Parental involvement must remain integral to preschool programs, whether or not mothers work. We may need to redesign some of our notions of parent involvement so that it meets the needs of employed parents -- not cutting back our expectations, but changing them so that parents help set the agenda and content of parent involvement.

I am currently conducting a study of parent/teacher relations in child care. The findings will be released in October. I will be happy to share them with you at that time, if you would like.

3. Preschool per se is not important, poor preschools have a negative impact, good preschools a positive one.

In my testimony, I outlined the ingredients of programs that have been statistically linked to good outcomes for children. These include 1) a caring relationship between adult and child; 2) a learning environment; 3) discipline that involves the constructive teaching of social skills rather than the punishing of bad behavior; and 4) a low staff turnover. In order to promote this positive teacher/child relationship, certain things are necessary: 1) small group size; 2) low staff/child ratio; 3) a healthy and safe environment; 4) a trained staff; and 5) a staff that has positive, supportive relationships with parents.

I don't know what percent of American preschools are poor quality. When data from the National Child Care Staffing Study (conducted by the Child Care Employee Project in Berkeley, CA) is released this October, we will have a better notion, although my understanding of their preliminary data is that quality is fairly low.

On the positive side, the National Association for the Education of Young Children has developed a project to accredit high quality programs. Nationwide, 1000 programs have been accredited and 2700 are in the process of self-study.

4. I agree that this high-quality preschool is a cost-effective investment. The cost will vary by location. NAEYC standards include this group size, staff/child ratio (see enclosed xerox).

Salaries of teachers should equal those of public school teachers with comparable credentials and experience.

In my view, while there are examples of inexpensive preschools that are good, they tend to be the exception. Programs are cheap primarily because they pay staff low salaries. Low salaries are linked to high turnover. Even if the programs and the materials are good, children do not fare well when they have to adjust to a revolving door of teachers.

It seems self-evident to me that when the population of young people in our country is shrinking, we simply cannot afford to lose as many of these youths as we have been to drugs, school drop-out and undereducation.. Our competence as a nation is in jeopardy. I would agree with the findings of the Committee for Economic Development that our future productivity will be badly affected by our current failure to invest in our at-risk children.

Thank you again for the opportunity to testify. I am enclosing a brochure about the new organization, the Families and Work Institute, that I will be co-founding in July. If I can be of further service, please let me know.

Best wishes,

Ellen Galinsky

Ellen Galinsky
Project Director
Work and Family Life Studies

STAFF-CHILD RATIOS WITHIN GROUP SIZE

	Group Size									
Age of Children*	**6**	**8**	**10**	**12**	**14**	**16**	**18**	**20**	**22**	**24**
Infants (birth–12 mos.)	1:3	1:4								
Toddlers (12–24 mos.)	1:3	1:4	1:5	1:4						
Two-year-olds (24–36 mos.)		1:4	1:5	1:6**						
Two- and three-year-olds			1:5	1:6	1:7**					
Three-year-olds					1:7	1:8	1:9	1:10**		
Four-year-olds						1:8	1:9	1:10**		
Four-and five-year-olds						1:8	1:9	1:10**		
Five-year-olds						1:8	1:9	1:10		
Six- to eight-year-olds (school age)								1:10	1:11	1:12

*Multi-age grouping is both permissible and desirable. When no infants are included, the staff-child ratio and group size requirements shall be based on the age of the majority of the children in the group. When infants are included, ratios and group size for infants must be maintained.

**Smaller group sizes and lower staff-child ratios are optimal. Larger group sizes and higher staff-child ratios are acceptable only in cases where staff are highly qualified.

Accreditation Criteria and Procedures, National Association for the Education of Young Children, 1987.

THE FAMILIES AND WORK INSTITUTE

- By 1995, it is estimated that two-thirds of the mothers of the preschoolers and three-fourths of mothers of school-age children will be in the labor force.
- Sixty percent of men in the labor force have employed wives.
- An estimated 20 to 30 percent of employees care for elderly relatives.
- Company surveys reveal that at a very minimum two out of every five workers have difficulty balancing their responsibilities at home and on the job.

In July 1989, the Families and Work Institute (FWI) will open in response to these changes in society. This new, non-profit Institute will serve as a national clearinghouse on work and family issues for decision-makers in the public, private, and voluntary sectors. No other organization is committed to furthering our knowledge of work and family issues as they relate to all institutions in society.

The primary activities of the Families and Work Institute will involve research and education on business, government, and community efforts to help families balance their work and family responsibilities. The Institute will provide information to corporate and public policy decision-makers through conferences and seminars, articles, periodicals, and books. A series of published reports is already being prepared. In addition, FWI will bring people from differing sectors together to generate solutions to identified problems in the work-family area.

Services will also include consultation to business and government agencies on proposed policy objectives; needs assessments for employers, labor groups, and community agencies; and speaking engagements at conferences and public forums.

Although the Institute is just forming, the two individuals responsible for its creation are already national experts in the field of work and family issues. Dana E. Friedman has focused on government policies, and more recently, on the corporate response to families as a researcher for The Conference Board, a business think tank. Ellen Galinsky has been based at Bank Street College of Education, an academic institution, researching public policies related to work and family issues as well as corporates initiatives. They begin the new organization with numerous research grants, publications and corporate clients in their background.

The Families and Work Institute will begin with a staff of ten talented researchers in various work-family fields, some from academic institutions, others who have worked for major corporations, still others with extensive experience in public policy.

Several projects are underway that will be continued under the auspices of the Institute. They include:

- The Corporate Reference Guide to Work-Family Programs: This book, to be published by a major publisher will be the most complete guide to work-family programs in the private sector. It will be an indispensable resource for any company contemplating developing work-family programs. It will include an analyses of the nation's most exemplary employers and how they have come to excel, examples of the development of more than 30 different work-family initiatives, and a competitive analysis based on a review of work-family programs within the 10 largest companies in 28 industry areas.
- The State Reference Guide to Work-Family Programs: This guide will parallel the Corporate Guide and will serve as a resource for what the 50 states are doing to meet the work-family needs of state employees.
- The Parental Leave and Productivity Report: The nation's experts on the subject of parental leave will discuss the costs and benefits of various company parental leave policies. Written in a question and answer format, the report will address the most frequently asked questions of decision-makers in the private sector.
- The Four-State Parental Leave Study: The project examines the impact of newly implemented parental leave statutes on employers and new parents in Oregon, Wisconsin, Minnesota, and Rhode Island.

Future plans include:

- A survey of a nationally representative sample of employees to learn how people balance their work and family lives. This sample will be surveyed every four years in order to highlight trends over time.
- Regular analyses of Department of Labor and Bureau of the Census statistics in order to help business engage in strategic planning.
- A study of employed caregivers of the elderly.
- A study of financial assistance to working parents (including federal tax credits, state vouchers, and corporate flexible spending accounts) to determine how they affect parents' child care choices.

The burgeoning field of work and family life needs to be synthesized. FWI will maintain a commitment to both the public and private sectors; to executives as well as to middle management and assembly-line workers. The focus will be on the life cycle of the family. The breadth of work-family issues will be considered, not just child care. Research will focus on the effects of family life on productivity, as well as the effects of jobs on family well-being. There is no one group examining the problem comprehensively through scholarly research and practical corporate experience. No one else is evaluating the cumulative impact of various family-responsive solutions. And no one institution is forecasting the future impact of the changing family on families themselves, on corporate programs, and on public policy.

For additional information, contact:

Ellen Galinsky, Bank Street College of Education, 610 W. 112th Street, New York, New York 10025 (212) 222-6700 ext. 396.

Dana E. Friedman, 101 Summit Road, Port Washington, New York 11050 (516) 883-4531

ELLEN GALINSKY

Ellen Galinsky is on the faculty of Bank Street College of Education where she has directed numerous studies on work and family life. In July 1989, she will co-found a new nonprofit organization, the Families and Work Institute, designed to be a national clearinghouse on work and family life. It will conduct research on business, government, and community efforts to help employees balance their job and family responsibilities.

Ellen Galinsky currently serves as President of the National Association for the Education of Young Children which is the largest professional organization for early childhood educators with 68,000 members. In addition, she serves on the Boards of the Child Care Action Campaign, the Child Care Employee Project, and the Rockland Council for Young Children. She is the Treasurer of the Board of the Family Resource Coalition and previously co-chaired the Conference Board's Work and Family Research Council. In addition, Ms. Galinsky was on Governor Cuomo's Task Force on Work and Family Life, and the New York State Task Force on Children at Risk, and chaired Governor Cuomo's Task Force on Early Childhood Services.

Ellen Galinsky has worked with numerous corporations, helping them develop work/family policies and conducting workplace seminars. She is the Executive Editor of the newsletter Work and Family Life.

Ellen Galinsky has published widely in academic journals and magazines, including Redbook, Working Mother, and Parents. Her books include The New Extended Family: Day Care that Works (Houghton-Mifflin, 1977) and The Six Stages of Parenthood (Addison-Wesley, 1987). Her most recent book, The Preschool Years, co-authored with Judy David (Times Books: Random House, 1988) has been selected as an alternate selection for the Book-of-the-Month Club and the Quality Paperback Book Club. She has appeared extensively on television, including The Today Show and the MacNeil/Lehrer News Hour.

Ellen Galinsky received her B.A. from Vassar College and her M.S. from Bank Street College. In November 1988, she was selected as one of the 100 outstanding women in America by Ladies Home Journal.

DANA E. FRIEDMAN

Dana Friedman is currently in the process of creating a new national, nonprofit organization called the Families and Work Institute. This entity will conduct research on business, government and community efforts to help people balance their work and family lives.

Up until January 1989, Dr. Friedman worked at The Conference Board, a nonprofit, business think tank where she created the Work and Family Information Center in 1983. She was responsible for research, conferences, and consultations to companies as a variety of work-family issues including child care, elder care, parental leave, and flexible benefits.

Dana Friedman previously worked at the Carnegie Corporation of New York where she conducted a national study of corporate views on family issues that led to the development of the Board's Information Center. She also spent six years in Washington, D.C. where she was a lobbyist for the Day Care Council of America and the Coalition for Children and Youth.

She has published widely and is the author of "Child Care for Employees' Kids" in *Harvard Business Review*, *Corporate Financial Assistance for Child Care*, "Liberty, Equality, Maternity," "Elder Care: The Employee Benefit of the 1990's?," and *Family Supportive Policies: The Corporate Decision-Making Process*.

Dana Friedman has been an advisor to President Reagan's Task Force on Private Sector Initiatives, the National Governor's Association, Governor Cuomo's Commissions on Child Care and Work and Family, and the Economic Policy Council of the United National Association. She is currently a Board member of the Child Care Action Campaign and Women on the Job.

Dr. Friedman has a B.S. in child development from Cornell University, a masters in early childhood education from the University of Maryland, and a doctorate in social policy from Harvard University.